



# Journal of the House

State of Indiana

112th General Assembly

Second Regular Session

Twenty-ninth Meeting Day

Thursday Morning

March 14, 2002

The House convened at 10:00 a.m. with the Speaker in the Chair.

The invocation was offered by Speaker John R. Gregg, who previously had announced his retirement from the General Assembly.

The Pledge of Allegiance to the Flag was led by Speaker Gregg.

The Speaker ordered the roll of the House to be called:

T. Adams	Hoffman
Aguilera	Kersey
Alderman	Klinker
Atterholt	Kromkowski ☐
Avery	Kruse
Ayres	Kruzan
Bardon	Kuzman
Bauer	Lawson
Becker	Leuck
Behning	Liggett
Bischoff	J. Lutz
Bodiker	Lytle
Borror	Mahern
Bosma	Mangus
Bottorff	McClain
C. Brown	Mock
T. Brown	Moses
Buck	Munson
Budak	Murphy
Buell	Noe
Burton	Oxley
Cheney	Pelath
Cherry	Pond
Cochran	Porter
Cook	Reske
Crawford	Richardson
Crooks	Ripley
Crosby	Robertson
Day	Ruppel
Denbo	Saunders
Dickinson	Scholer
Dillon	M. Smith
Dobis	V. Smith
Dumezich ☐	Steele
Duncan	Stevenson
Dvorak	Stilwell
Espich	Sturtz
Foley	Summers
Frenz	Thompson
Friend	Tincher
Frizzell	Torr
Fry	Turner
GiaQuinta	Ulmer
Goodin	Weinzapfel
Grubb	Welch
Harris	Whetstone
Hasler	Wolkins
Herndon	D. Young
Herrell	Yount
Hinkle	Mr. Speaker

Roll Call 378: 98 present; 2 excused. The Speaker announced a quorum in attendance. [NOTE: ☐ indicates those who were excused.]

## HOUSE MOTION

Mr. Speaker: I move that Representative Kruzan be removed as sponsor of Engrossed Senate Bill 351 and Representative Welch be substituted as sponsor.

KRUZAN

Motion prevailed.

## CONFERENCE COMMITTEE REPORTS

### CONFERENCE COMMITTEE REPORT

ESB 29-1; filed March 14, 2002, at 9:17 a.m.

Mr. Speaker: Your Conference Committee appointed to confer with a like committee from the Senate upon Engrossed House Amendments to Engrossed Senate Bill 29 respectfully reports that said two committee have conferred and agreed as follows to wit:

that the Senate recede from its dissent from all House amendments and that the Senate now concur in all House amendments to the bill and that the bill be further amended as follows:

Page 1, line 11, delete "has the meaning" and insert "**means coal from a mine whose coal deposits are located in the ground wholly or partially in Indiana regardless of the location of the mine's tipple.**".

Page 1, delete line 12.

Page 3, delete lines 35 through 42, begin a new paragraph and insert:

"SECTION 3. IC 8-1-2-6.6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 6.6. (a) As used in this section:

"Clean coal technology" means a technology (including precombustion treatment of coal):

(1) that is used at a new or existing electric generating facility and directly or indirectly reduces airborne emissions of sulfur or nitrogen based pollutants associated with combustion or use of coal; and

(2) that either:

(A) is not in general commercial use at the same or greater scale in new or existing facilities in the United States as of January 1, 1989; or

(B) has been selected by the United States Department of Energy for funding under its Innovative Clean Coal Technology program and is finally approved for such funding on or after January 1, 1989.

"Indiana coal" means coal from a mine whose coal deposits are located in the ground wholly or partially in Indiana regardless of the location of the mine's tipple.

"Qualified pollution control property" means an air pollution control device on a coal burning electric generating facility or any equipment that constitutes clean coal technology that has been approved for use by the commission, that meets applicable state or federal requirements, and that is designed to accommodate the burning of coal from the geological formation known as the Illinois Basin.

"Utility" refers to any electric generating utility allowed by law to earn a return on its investment.

(b) Upon the request of a utility that began construction after October 1, 1985, **and before March 31, 2002**, of qualified pollution control property that is to be used and useful for the public convenience, the commission shall for ratemaking purposes add to the value of that utility's property the value of the qualified pollution control property under construction, but only if at the time of the

application and thereafter:

- (1) the facility burns only Indiana coal as its primary fuel source once the air pollution control device is fully operational; or
- (2) the utility can prove to the commission that the utility is justified because of economic considerations or governmental requirements in utilizing some non-Indiana coal.

(c) The commission shall adopt rules under IC 4-22-2 to implement this section.

SECTION 4. IC 8-1-2-6.8 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 6.8. (a) This section applies to a utility that begins construction of qualified pollution control property after March 31, 2002.**

**(b) As used in this section, "clean coal technology" means a technology (including precombustion treatment of coal):**

- (1) that is used in a new or existing energy generating facility and directly or indirectly reduces airborne emissions of sulfur, mercury, or nitrogen oxides or other regulated air emissions associated with the combustion or use of coal; and**
- (2) that either:**

**(A) was not in general commercial use at the same or greater scale in new or existing facilities in the United States at the time of enactment of the federal Clean Air Act Amendments of 1990 (P.L.101-549); or**

**(B) has been selected by the United States Department of Energy for funding under its Innovative Clean Coal Technology program and is finally approved for such funding on or after the date of enactment of the federal Clean Air Act Amendments of 1990 (P.L.101-549).**

**(c) As used in this section, "qualified pollution control property" means an air pollution control device on a coal burning energy generating facility or any equipment that constitutes clean coal technology that has been approved for use by the commission and that meets applicable state or federal requirements.**

**(d) As used in this section, "utility" refers to any energy generating utility allowed by law to earn a return on its investment.**

**(e) Upon the request of a utility that begins construction after March 31, 2002, of qualified pollution control property that is to be used and useful for the public convenience, the commission shall for ratemaking purposes add to the value of that utility's property the value of the qualified pollution control property under construction.**

**(f) The commission shall adopt rules under IC 4-22-2 to implement this section.**

SECTION 5. IC 8-1-2-48 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 48. (a) The commission shall inquire into the management of the business of all public utilities, and shall keep itself informed as to the manner and method in which the same is conducted and shall have the right to obtain from any public utility all necessary information to enable the commission to perform its duties. If, in its inquiry into the management of any public utility, the commission finds that the amount paid for the services of its officers, employees, or any of them, is excessive, or that the number of officers or persons employed by such utility is not justified by the actual needs of the utility, or that any other item of expense is being incurred by the utility which is either unnecessary or excessive, the commission shall designate such item or items, and such item or items so designated, or such parts thereof as the commission may deem unnecessary or excessive, shall not be taken into consideration in determining and fixing the rates which such utility is permitted to charge for the service which it renders.**

**(b) For purposes of IC 8-1-2, IC 8-1-8.5, IC 8-1-8.7, IC 8-1-8.8, and IC 8-1-27, wages paid to an independent contractor of a utility for construction or maintenance performed for the utility shall not be found to be excessive merely because the wages are those normally paid for work of the same type and quality in the labor market in which the work for the utility is being performed.**

(c) In carrying out its duties and powers under subsection (a) with regard to any utility which sells or generates electricity, the commission may also inquire into or audit a utility's powerplant efficiency and system reliability."

Delete pages 4 through 22.

Page 23, delete lines 1 through 34.

Page 25, between lines 6 and 7, begin a new line double block indented and insert:

**"(C) Projects to provide electric transmission facilities to serve a new energy generating facility."**

Page 25, line 13, delete "electric" and insert "energy".

Page 25, line 18, delete "is" and insert "was".

Page 25, line 19, delete "as of" and insert "at the time of enactment of the federal Clean Air Act Amendments of 1990 (P.L.101-549); or".

Page 25, delete line 20.

Page 25, line 24, delete "January 1, 1989." and insert "the date of enactment of the federal Clean Air Act Amendments of 1990 (P.L.101-549)."

Page 26, line 14, delete "(3) The" and insert "(4) Except for a facility that is a clean coal and energy project under section 2(2) of this chapter, the".

Page 26, between lines 35 and 36, begin a new line block indented and insert:

**"(7) Fuel cells.**

**(8) Energy from waste to energy facilities producing steam not used for the production of electricity."**

Page 26, line 36, delete "The" and insert "Except for energy described in subsection (a)(8), the".

Page 27, line 3, delete "in the" and insert "reasonable and necessary:".

Page 27, delete line 4.

Page 27, line 20, after "section." insert "This chapter does not relieve an eligible business of the duty to obtain any certificate required under IC 8-1-8.5 or IC 8-1-8.7. An eligible business seeking a certificate under IC 8-1-8.5 or IC 8-1-8.7 and this chapter for one (1) project may file a single application for all necessary certificates. If a single application is filed, the commission shall consider all necessary certificates at the same time."

Page 27, line 27, delete "eighty (180)" and insert "twenty (120)".

Page 27, line 34, delete "facilities, in place of the normal allowance for funds used" and insert "facilities."

Page 27, delete line 35.

Page 28, line 11, after "and" delete "the" and insert "necessary."

Page 28, delete line 12.

Page 28, line 17, delete "in the public interest." and insert "necessary."

Page 28, line 41, delete "If any part of this chapter is found to be unlawful, the" and insert "The".

Page 28, line 42, delete "shall annually" and insert "may".

Page 29, line 1, delete "be:" and insert "comply".

Page 29, delete line 2.

Page 29, line 3, delete "(2) consistent".

Page 29, line 3, delete "findings in the".

Page 29, run in lines 1 through 3.

Page 29, line 4, after "chapter." insert "The commission may revoke any incentive approved in the order if the commission finds that the project no longer complies with the provisions of the order concerning the incentive."

Page 29, delete lines 5 through 27.

Renumber all SECTIONS consecutively.

(Reference is to ESB 29 as reprinted February 26, 2002.)

WEATHERWAX STILWELL

HUME J. LUTZ

Senate Conferees House Conferees

The conference committee report was filed and read a first time.

CONFERENCE COMMITTEE REPORT

ESB 25-1; filed March 14, 2002, at 9:18 a.m.

Mr. Speaker: Your Conference Committee appointed to confer

with a like committee from the Senate upon Engrossed House Amendments to Engrossed Senate Bill 25 respectfully reports that said two committee have conferred and agreed as follows to wit:

that the Senate recede from its dissent from all House amendments and that the Senate now concur in all House amendments to the bill and that the bill be further amended as follows:

Page 1, delete lines 1 through 17.

Page 2, delete lines 1 through 28.

Page 4, delete lines 23 through 35.

Renumber all SECTIONS consecutively.

(Reference is to ESB 25 as reprinted February 26, 2002.)

PAUL	GIA QUINTA
CRAYCRAFT	BUCK
Senate Conferees	House Conferees

The conference committee report was filed and read a first time.

**CONFERENCE COMMITTEE REPORT**  
**ESB 19-1; filed March 14, 2002, at 9:20 a.m.**

Mr. Speaker: Your Conference Committee appointed to confer with a like committee from the Senate upon Engrossed House Amendments to Engrossed Senate Bill 19 respectfully reports that said two committee have conferred and agreed as follows to wit:

that the Senate recede from its dissent from all House amendments and that the Senate now concur in all House amendments to the bill and that the bill be further amended as follows:

Page 1, between the enacting clause and line 1, begin a new paragraph and insert:

"SECTION 1. IC 6-1.1-10-16, AS AMENDED BY P.L. 198-2001, SECTION 28, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2000 (RETROACTIVE)]: Sec. 16. (a) All or part of a building is exempt from property taxation if it is owned, occupied, and used by a person for educational, literary, scientific, religious, or charitable purposes.

(b) A building is exempt from property taxation if it is owned, occupied, and used by a town, city, township, or county for educational, literary, scientific, fraternal, or charitable purposes.

(c) A tract of land, including the campus and athletic grounds of an educational institution, is exempt from property taxation if:

(1) a building ~~which that~~ is exempt under subsection (a) or (b) is situated on it; and

(2) the tract does not exceed:

(A) one hundred fifty (150) acres; ~~in the case of:~~

(i) ~~an educational institution;~~

(ii) ~~a tract that was exempt under this subsection on March 1, 1987; or~~

(B) two hundred (200) acres in the case of a local association formed for the purpose of promoting 4-H programs. ~~or~~

(C) ~~fifteen (15) acres in all other cases.~~

(d) A tract of land is exempt from property taxation if:

(1) it is purchased for the purpose of erecting a building ~~which that~~ is to be owned, occupied, and used in such a manner that the building will be exempt under subsection (a) or (b);

(2) the tract does not exceed:

(A) one hundred fifty (150) acres; ~~in the case of:~~

(i) ~~an educational institution; or~~

(ii) ~~a tract that was exempt under this subsection on March 1, 1987;~~

(B) two hundred (200) acres in the case of a local association formed for the purpose of promoting 4-H programs; ~~or~~

(C) ~~fifteen (15) acres in all other cases; and~~

(3) not more than three (3) years after the property is purchased, and for each year after the three (3) year period, the owner demonstrates substantial progress towards the erection of the intended building and use of the tract for the exempt purpose. To establish that substantial progress is being made, the owner must prove the existence of factors such as the following:

(A) Organization of and activity by a building committee or other oversight group.

(B) Completion and filing of building plans with the appropriate local government authority.

(C) Cash reserves dedicated to the project of a sufficient amount to lead a reasonable individual to believe the actual construction can and will begin within three (3) years.

(D) The breaking of ground and the beginning of actual construction.

(E) Any other factor that would lead a reasonable individual to believe that construction of the building is an active plan and that the building is capable of being completed within six (6) years considering the circumstances of the owner.

(e) Personal property is exempt from property taxation if it is owned and used in such a manner that it would be exempt under subsection (a) or (b) if it were a building.

(f) A hospital's property ~~which that~~ is exempt from property taxation under subsection (a), (b), or (e) shall remain exempt from property taxation even if the property is used in part to furnish goods or services to another hospital whose property qualifies for exemption under this section.

(g) Property owned by a shared hospital services organization ~~which that~~ is exempt from federal income taxation under Section 501(c)(3) or 501(e) of the Internal Revenue Code is exempt from property taxation if it is owned, occupied, and used exclusively to furnish goods or services to a hospital whose property is exempt from property taxation under subsection (a), (b), or (e).

(h) This section does not exempt from property tax an office or a practice of a physician or group of physicians that is owned by a hospital licensed under IC 16-21-1 or other property that is not substantially related to or supportive of the inpatient facility of the hospital unless the office, practice, or other property:

(1) provides or supports the provision of charity care (as defined in IC 16-18-2-52.5), including providing funds or other financial support for health care services for individuals who are indigent (as defined in IC 16-18-2-52.5(b) and IC 16-18-2-52.5(c)); or

(2) provides or supports the provision of community benefits (as defined in IC 16-21-9-1), including research, education, or government sponsored indigent health care (as defined in IC 16-21-9-2).

However, participation in the Medicaid or Medicare program alone does not entitle an office, practice, or other property described in this subsection to an exemption under this section.

(i) A tract of land or a tract of land plus all or part of a structure on the land is exempt from property taxation if:

(1) the tract is acquired for the purpose of erecting, renovating, or improving a single family residential structure that is to be given away or sold:

(A) in a charitable manner;

(B) by a nonprofit organization; and

(C) to low income individuals who will:

(i) use the land as a family residence; and

(ii) not have an exemption for the land under this section;

(2) the tract does not exceed three (3) acres;

(3) the tract of land or the tract of land plus all or part of a structure on the land is not used for profit while exempt under this section; and

(4) not more than three (3) years after the property is acquired for the purpose described in subdivision (1), and for each year after the three (3) year period, the owner demonstrates substantial progress towards the erection, renovation, or improvement of the intended structure. To establish that substantial progress is being made, the owner must prove the existence of factors such as the following:

(A) Organization of and activity by a building committee or other oversight group.

(B) Completion and filing of building plans with the appropriate local government authority.

(C) Cash reserves dedicated to the project of a sufficient amount to lead a reasonable individual to believe the actual construction can and will begin within six (6) years of the initial exemption received under this subsection.

(D) The breaking of ground and the beginning of actual

construction.

(E) Any other factor that would lead a reasonable individual to believe that construction of the structure is an active plan and that the structure is capable of being:

(i) completed; and

(ii) transferred to a low income individual who does not receive an exemption under this section;

within six (6) years considering the circumstances of the owner.

(j) An exemption under subsection (i) terminates when the property is conveyed by the nonprofit organization to another owner. When the property is conveyed to another owner, the nonprofit organization receiving the exemption must file a certified statement with the auditor of the county, notifying the auditor of the change not later than sixty (60) days after the date of the conveyance. The county auditor shall immediately forward a copy of the certified statement to the county assessor. A nonprofit organization that fails to file the statement required by this subsection is liable for the amount of property taxes due on the property conveyed if it were not for the exemption allowed under this chapter.

(k) If property is granted an exemption in any year under subsection (i) and the owner:

(1) ceases to be eligible for the exemption under subsection

(i)(4);

(2) fails to transfer the tangible property within six (6) years after the assessment date for which the exemption is initially granted; or

(3) transfers the tangible property to a person who:

(A) is not a low income individual; or

(B) does not use the transferred property as a residence for at least one (1) year after the property is transferred;

the person receiving the exemption shall notify the county recorder and the county auditor of the county in which the property is located not later than sixty (60) days after the event described in subdivision (1), (2), or (3) occurs. The county auditor shall immediately inform the county assessor of a notification received under this subsection.

(l) If subsection (k)(1), (k)(2), or (k)(3) applies, the owner shall pay, not later than the date that the next installment of property taxes is due, an amount equal to the sum of the following:

(1) The total property taxes that, if it were not for the exemption under subsection (i), would have been levied on the property in each year in which an exemption was allowed.

(2) Interest on the property taxes at the rate of ten percent (10%) per year.

(m) The liability imposed by subsection (l) is a lien upon the property receiving the exemption under subsection (i). An amount collected under subsection (l) shall be collected as an excess levy. If the amount is not paid, it shall be collected in the same manner that delinquent taxes on real property are collected.

(n) Property referred to in this section shall be assessed to the extent required under IC 6-1.1-11-9.

SECTION 2. IC 6-1.1-10-21, AS AMENDED BY P.L.198-2001, SECTION 30, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2000 (RETROACTIVE)]: Sec. 21. (a) The following tangible property is exempt from property taxation if it is owned by, or held in trust for the use of, a church or religious society:

(1) A building which that is used for religious worship.

~~(2) Buildings that are used as parsonages.~~

~~(3) (2) The pews and furniture contained within a building which that is used for religious worship.~~

~~(4) (3) The tract of land not exceeding fifteen (15) one hundred fifty (150) acres, upon which a building described in this section that is used for religious worship is situated.~~

~~(b) The following tangible property is exempt from property taxation if it is owned by, or held in trust for the use of, a church or religious society:~~

~~(1) A building that is used as a parsonage.~~

~~(2) The tract of land, not exceeding fifteen (15) acres, upon which a building that is used as a parsonage is situated.~~

~~(c) To obtain an exemption for parsonages, a church or religious society must provide the county auditor with an affidavit at~~

the time the church or religious society applies for the exemptions. The affidavit must state that:

(1) all parsonages are being used to house one (1) of the church's or religious society's rabbis, priests, preachers, ministers, or pastors; and

(2) none of the parsonages are being used to make a profit.

The affidavit shall be signed under oath by the church's or religious society's head rabbi, priest, preacher, minister, or pastor. The county auditor shall immediately forward a copy of the affidavit to the county assessor.

~~(c) (d)~~ Property referred to in this section shall be assessed to the extent required under IC 6-1.1-11-9.

SECTION 3. IC 14-33-7-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2000 (RETROACTIVE)]: Sec. 4. (a) This section applies to the following tangible property owned by or held in trust for the use of a church or religious society:

(1) A building that is used for religious worship.

(2) A building that is used as a parsonage.

(3) The pews and furniture contained within a building that is used for religious worship.

**(4) The land, not exceeding one hundred fifty (150) acres, upon which a building that is used for religious worship is situated.**

**(5) The land not exceeding fifteen (15) acres, upon which a building described in this section that is used as a parsonage is situated.**

(b) Property is exempt from the special benefits tax that may be imposed under:

(1) IC 14-33-6-13 and section 1 of this chapter; or

(2) IC 14-33-21-5;

to the extent that the special benefits tax revenue will be used for the construction or improvement of a water impoundment project, including a lake, pond, or dam.

(c) To obtain an exemption for a parsonage, a church or religious society must provide the county auditor with an affidavit at the time the church or religious society applies for the exemption. The affidavit must:

(1) state:

(A) that all parsonages are being used to house one (1) of the church's or religious society's rabbis, priests, preachers, ministers, or pastors; and

(B) that none of the parsonages are being used to make a profit; and

(2) be signed under oath or affirmation by the church's or religious society's head rabbi, priest, preacher, minister, pastor, or designee of the official church body.

SECTION 4. [EFFECTIVE UPON PASSAGE] **(a) Under IC 6-1.1-10-16, as amended by this act, a church or religious institution may file a claim with the county auditor for a refund for the payment of property taxes due and payable in 2001. The claim shall be filed as set forth in IC 6-1.1-26-1, except that the claim shall be based upon the ground that the assessment of the property must be computed as set forth in IC 6-1.1-10-16, as amended by this act.**

**(b) Upon receiving a claim filed under this SECTION, the county auditor shall determine whether the claim is correct. If the county auditor determines that the claim is correct, the auditor shall, without an appropriation being required, issue a warrant to the claimant payable from the county general fund for the amount due the claimant under this SECTION.**

**(c) The amount of the refund shall equal the amount of the claim so allowed, plus interest at six percent (6%) from the date on which the taxes were paid or payable, whichever is later, to the date of the refund.**

**(d) This SECTION expires July 1, 2003.**

SECTION 5. [EFFECTIVE MARCH 1, 2000 (RETROACTIVE)] **(a) Notwithstanding any other law, the following property is exempt from property taxation:**

**(1) A tract of land on which a building that is owned, occupied, or used by a:**

**(A) person for educational, literary, scientific, religious, or charitable purposes; or**

(B) town, city, township, or county for educational, literary, scientific, fraternal, or charitable purposes.

(2) A tract of land that is purchased for the purpose of erecting a building that is to be owned, occupied, and used in such a manner that the building would be exempt under subdivision (1).

(3) Personal property that is owned and used in such a manner that it would be exempt under subdivision (1) if it were a building.

(4) A building that is used for religious worship.

(5) The tract of land on which a building that is used for religious worship is located.

(6) The pews and furniture contained within a building that is used for religious worship.

(7) A building that is used as a parsonage.

(8) The tract of land on which a building that is used as a parsonage is located.

(b) A person seeking an exemption under this SECTION shall comply with all applicable filing requirements under IC 6-1.1-10.

(c) This SECTION expires January 1, 2004."

Page 1, between lines 13 and 14, begin a new paragraph and insert:

"(d) The committee shall consist of the following members:

(1) The chairperson of the house ways and means committee.

(2) The chairperson of the senate finance committee.

(3) Three (3) members appointed by the speaker of the house of representatives from the membership of the ways and means committee, excluding the chairperson of the ways and means committee. Not more than two (2) members appointed under this subdivision may be of the same political party.

(4) Three (3) members appointed by the president pro tempore of the senate from the membership of the finance committee, excluding the chairperson of the finance committee. Not more than two (2) members appointed under this subdivision may be of the same political party."

Page 1, line 14, delete "(d)" and insert "(e)".

Page 1, line 17, delete "(e)" and insert "(f)".

Page 2, line 3, delete "(f)" and insert "(g)".

Renumber all SECTIONS consecutively.

(Reference is to ESB 19 as reprinted February 26, 2002.)

ZAKAS	CRAWFORD
CRAYCRAFT	BURTON
Senate Conferees	House Conferees

The conference committee report was filed and read a first time.

#### CONFERENCE COMMITTEE REPORT EHB 1346-1; filed March 14, 2002, at 9:21 a.m.

Mr. Speaker: Your Conference Committee appointed to confer with a like committee from the Senate upon Engrossed Senate Amendments to Engrossed House Bill 1346 respectfully reports that said two committee have conferred and agreed as follows to wit:

that the House recede from its dissent from all Senate amendments and that the House now concur in all Senate amendments to the bill and that the bill be further amended as follows:

Delete the title and insert the following:

A BILL FOR AN ACT to amend the Indiana Code concerning health.

Page 1, between the enacting clause and line 1, begin a new paragraph and insert:

"SECTION 1. IC 5-10-8.1-6, AS ADDED BY P.L.162-2001, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 6. (a) The administrator shall pay or deny each clean claim in accordance with section 7 of this chapter.

(b) An administrator shall notify a provider of any deficiencies in a submitted claim not less more than:

- (1) thirty (30) days for a claim that is filed electronically; or
- (2) forty-five (45) days for a claim that is filed on paper;

and describe any remedy necessary to establish a clean claim.

(c) Failure of an administrator to notify a provider as required under subsection (b) establishes the submitted claim as a clean claim.

SECTION 2. IC 27-8-5.7-5, AS ADDED BY P.L.162-2001, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5. (a) An insurer shall pay or deny each clean claim in accordance with section 6 of this chapter.

(b) An insurer shall notify a provider of any deficiencies in a submitted claim not less more than:

(1) thirty (30) days for a claim that is filed electronically; or

(2) forty-five (45) days for a claim that is filed on paper;

and describe any remedy necessary to establish a clean claim.

(c) Failure of an insurer to notify a provider as required under subsection (b) establishes the submitted claim as a clean claim.

SECTION 3. IC 27-13-36.2-3, AS ADDED BY P.L.162-2001, SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. (a) A health maintenance organization shall pay or deny each clean claim in accordance with section 4 of this chapter.

(b) A health maintenance organization shall notify a provider of any deficiencies in a submitted claim not less more than:

(1) thirty (30) days for a claim that is filed electronically; or

(2) forty-five (45) days for a claim that is filed on paper;

and describe any remedy necessary to establish a clean claim.

(c) Failure of a health maintenance organization to notify a provider as required under subsection (b) establishes the submitted claim as a clean claim.

SECTION 4. IC 27-13-36.2-4, AS ADDED BY P.L.162-2001, SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4. (a) A health maintenance organization shall pay or deny each clean claim as follows:

(1) If the claim is filed electronically, not less more than thirty (30) days after the date the claim is received by the health maintenance organization.

(2) If the claim is filed on paper, not less more than forty-five (45) days after the date the claim is received by the health maintenance organization.

(b) If:

(1) a health maintenance organization fails to pay or deny a clean claim in the time required under subsection (a); and

(2) the health maintenance organization subsequently pays the claim;

the health maintenance organization shall pay the provider that submitted the claim interest on the lesser of the usual, customary, and reasonable charge for the health care services provided to the enrollee or an amount agreed to between the health maintenance organization and the provider paid under this section.

(c) Interest paid under subsection (b):

(1) accrues beginning:

(A) thirty-one (31) days after the date the claim is filed under subsection (a)(1); or

(B) forty-six (46) days after the date the claim is filed under subsection (a)(2); and

(2) stops accruing on the date the claim is paid.

(d) In paying interest under subsection (b), a health maintenance organization shall use the same interest rate as provided in IC 12-15-21-3(7)(A)."

Page 5, after line 23, begin a new paragraph and insert:

"SECTION 6. **An emergency is declared for this act.**"

Renumber all SECTIONS consecutively.

(Reference is to EHB 1346 as printed February 20, 2002.)

PELATH	MILLER
BUDAK	CRAYCRAFT
House Conferees	Senate Conferees

The conference committee report was filed and read a first time.

#### CONFERENCE COMMITTEE REPORT ESB 315-1; filed March 14, 2002, at 9:31 a.m.

Mr. Speaker: Your Conference Committee appointed to confer with a like committee from the Senate upon Engrossed House

Amendments to Engrossed Senate Bill 315 respectfully reports that said two committee have conferred and agreed as follows to wit:

that the Senate recede from its dissent from all House amendments and that the Senate now concur in all House amendments to the bill and that the bill be further amended as follows:

Page 2, line 32, delete "and".

Page 2, line 33, after "June 30, 2003" delete "." and insert ", and before July 1, 2009; and

**(3) four dollars (\$4) after June 30, 2009."**

(Reference is to ESB 315 as printed February 15, 2002.)

CLARK	STURTZ
ALEXA	FOLEY
Senate Conferees	House Conferees

The conference committee report was filed and read a first time.

**CONFERENCE COMMITTEE REPORT**  
ESB 193-1; filed March 14, 2002, at 9:33 a.m.

Mr. Speaker: Your Conference Committee appointed to confer with a like committee from the Senate upon Engrossed House Amendments to Engrossed Senate Bill 193 respectfully reports that said two committee have conferred and agreed as follows to wit:

that the Senate recede from its dissent from all House amendments and that the Senate now concur in all House amendments to the bill and that the bill be further amended as follows:

Delete everything after the enacting clause and insert the following:

SECTION 1. IC 36-4-3-4.1, AS AMENDED BY SEA 399-2002, SECTION 159, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 4.1. (a) This section applies to the following:

(1) A **municipality town** having a population of:

(A) more than fifteen thousand (15,000); ~~or~~

(B) more than five thousand (5,000) but less than six thousand three hundred (6,300);

**(C) more than ten thousand (10,000) but less than fifteen thousand (15,000); or**

**(D) more than six thousand three hundred (6,300) but less than ten thousand (10,000);**

located in a county having a population of more than one hundred thousand (100,000) but less than one hundred five thousand (105,000).

(2) A ~~municipality city~~ having a population of more than thirty-two thousand eight hundred (32,800) but less than thirty-three thousand (33,000). ~~located in a county having a population of more than one hundred ten thousand (110,000) but less than one hundred fifteen thousand (115,000).~~

(3) A municipality that is located in a county having a population of more than four hundred thousand (400,000) but less than seven hundred thousand (700,000).

(4) A town having a population of more than nine thousand (9,000) but less than thirty thousand (30,000) located in a county having a population of more than one hundred eighty thousand (180,000) but less than one hundred eighty-two thousand seven hundred ninety (182,790).

**(5) A town having a population of:**

**(A) more than three thousand (3,000); or**

**(B) more than one thousand (1,000) but less than one thousand two hundred (1,200);**

**located in a county with a population of more than fifty-five thousand (55,000) but less than sixty-five thousand (65,000).**

**(6) A town having a population of more than five thousand (5,000) but less than ten thousand (10,000), the majority of which is located in a county containing a consolidated city.**

**(7) A city having a population of more than five thousand nine hundred ninety-four (5,994) but less than six thousand twenty-five (6,025).**

**(8) A city having a population of more than nine thousand five hundred thirty-five (9,535) but less than nine thousand six hundred (9,600).**

**(9) A town having a population of more than three thousand five hundred (3,500) located in a county having a population of more than one hundred thirty thousand (130,000) but less than one hundred forty-five thousand (145,000).**

(b) Except as provided in subsection (c), the legislative body of a municipality to which this section applies may, by ordinance, annex territory that:

(1) is contiguous to the municipality;

(2) in the case of a ~~municipality town~~ described in subsection (a)(1), has its entire area within the township within which the ~~municipality town~~ is primarily located; and

(3) is owned by a property owner who consents to the annexation.

(c) Subsection (b)(2) does not apply to a ~~municipality town~~ having a population of:

(1) more than five thousand (5,000) but less than eight thousand (8,000); or

(2) more than nine thousand (9,000) but less than twelve thousand five hundred (12,500);

in a county having a population of more than four hundred thousand (400,000) but less than seven hundred thousand (700,000).

(d) Territory annexed under this section is exempt from all property tax liability under IC 6-1.1 for municipal purposes for all portions of the annexed territory that is classified for zoning purposes as agriculture and remains exempt from the property tax liability while the property's zoning classification remains agriculture.

(e) There may not be a change in the zoning classification of territory annexed under this section without the consent of the owner of the annexed territory.

(Reference is to ESB 193 as reprinted February 26, 2002.)

GARD	GRUBB
CRAYCRAFT	CHERRY
Senate Conferees	House Conferees

The conference committee report was filed and read a first time.

**CONFERENCE COMMITTEE REPORT**  
ESB 252-1; filed March 14, 2002, at 9:34 a.m.

Mr. Speaker: Your Conference Committee appointed to confer with a like committee from the Senate upon Engrossed House Amendments to Engrossed Senate Bill 252 respectfully reports that said two committee have conferred and agreed as follows to wit:

that the Senate recede from its dissent from all House amendments and that the Senate now concur in all House amendments to the bill and that the bill be further amended as follows:

Page 3, line 22, delete "decedent," and insert "**person**,"

Page 4, delete lines 9 through 42.

Delete page 5.

Page 6, delete lines 1 through 22.

Page 10, delete lines 12 through 42.

Page 11, delete lines 1 through 9.

Page 11, line 10, delete "IC 32-4-1.1" and insert "IC 32-17-13".

Page 11, line 13, delete "1.1." and insert "**13**."

Page 11, line 28, delete "IC 32-4-1.6," and insert "**IC 32-17-9**,"

Page 11, line 34, delete "IC 32-4-1.5" and insert "**IC 32-17-11**".

Page 12, line 16, delete "Except as provided in IC 27-1-12-14, other" and insert "**Other**".

Page 13, line 5, delete "decedent's" and insert "**person's**".

Page 13, line 25, delete "IC 32-4-1.5-7.1" and insert "IC 32-17-11-21.1".

Page 13, line 27, delete "7.1." and insert "**21.1**".

Page 13, line 29, delete "IC 32-4-1.1." and insert "**IC 32-17-13**".

Page 13, line 30, delete "IC 32-4-1.6-11.1" and insert "IC 32-17-9-12.1".

Page 13, line 32, delete "11.1." and insert "**12.1**".

Page 13, line 34, delete "IC 32-4-1.1." and insert "**IC 32-17-13**".

Page 13, line 37, delete "IC 32-4-1.1-7" and insert "**IC 32-17-13-7**".

Page 13, line 39, delete "IC 32-4-1.5-7" and insert "IC 32-17-11-21".

Renumber all SECTIONS consecutively.

(Reference is to ESB 252 as reprinted February 26, 2002.)

ZAKAS	KUZMAN
ANTICH	FOLEY
Senate Conferees	House Conferees

The conference committee report was filed and read a first time.

**CONFERENCE COMMITTEE REPORT**  
ESB 426-1; filed March 14, 2002, at 9:57 a.m.

Mr. Speaker: Your Conference Committee appointed to confer with a like committee from the Senate upon Engrossed House Amendments to Engrossed Senate Bill 426 respectfully reports that said two committee have conferred and agreed as follows to wit:

that the Senate recede from its dissent from all House amendments and that the Senate now concur in all House amendments to the bill and that the bill be further amended as follows:

Page 2, line 1, after "IC 35-50-2-9" insert ", AS AMENDED BY HEA 1012-2002, SECTION 1,".

Page 4, delete lines 10 through 42, begin a new paragraph and insert:

"(d) If the defendant was convicted of murder in a jury trial, the jury shall reconvene for the sentencing hearing. If the trial was to the court, or the judgment was entered on a guilty plea, the court alone shall conduct the sentencing hearing. The jury or the court may consider all the evidence introduced at the trial stage of the proceedings, together with new evidence presented at the sentencing hearing. The court shall instruct the jury concerning the statutory penalties for murder and any other offenses for which the defendant was convicted, the potential for consecutive or concurrent sentencing, and the availability of good time credit and clemency. **The court shall instruct the jury that, in order for the jury to recommend to the court that the death penalty or life imprisonment without parole should be imposed, the jury must find at least one (1) aggravating circumstance beyond a reasonable doubt as described in subsection (k) and shall provide a special verdict form for each aggravating circumstance alleged.** The defendant may present any additional evidence relevant to:

(1) the aggravating circumstances alleged; or

(2) any of the mitigating circumstances listed in subsection (c).

(e) **For a defendant sentenced after June 30, 2002**, except as provided by IC 35-36-9, if the hearing is by jury, the jury shall recommend to the court whether the death penalty or life imprisonment without parole, or neither, should be imposed. The jury may recommend:

(1) the death penalty; or

(2) life imprisonment without parole;

only if it makes the findings described in subsection (k). ~~The court shall make the final determination of the sentence, after considering the jury's recommendation, and the sentence shall be based on the same standards that the jury was required to consider. The court is not bound by the jury's recommendation. If the jury reaches a sentencing recommendation, the court shall sentence the defendant accordingly.~~ After a court pronounces sentence, a representative of the victim's family and friends may present a statement regarding the impact of the crime on family and friends. The impact statement may be submitted in writing or given orally by the representative. The statement shall be given in the presence of the defendant.

(f) If a jury is unable to agree on a sentence recommendation after reasonable deliberations, the court shall discharge the jury and proceed as if the hearing had been to the court alone."

Page 5, delete lines 1 through 10.

(Reference is to ESB 426 as reprinted February 26, 2002.)

CLARK	DVORAK
BOWSER	FOLEY
Senate Conferees	House Conferees

The conference committee report was filed and read a first time.

**CONFERENCE COMMITTEE REPORT**  
EHB 1252-1; filed March 14, 2002, at 10:01 a.m.

Mr. Speaker: Your Conference Committee appointed to confer

with a like committee from the Senate upon Engrossed Senate Amendments to Engrossed House Bill 1252 respectfully reports that said two committee have conferred and agreed as follows to wit:

that the House recede from its dissent from all Senate amendments and that the House now concur in all Senate amendments to the bill and that the bill be further amended as follows:

Page 1, delete lines 4 through 17 and insert "services" means those medical activities that, ~~(†)~~ in the **written** opinion of the attending physician **submitted to the case manager of the individual in need of self-directed in-home care**, could be performed by the individual if the individual were physically capable, and if the medical ~~activity~~ **activities** can be safely performed in the home, and:

**(1) are performed by a person who has been trained or instructed on the performance of the medical activities by an individual in need of self-directed in-home care who is, in the written opinion of the attending physician submitted to the case manager of the individual in need of self-directed in-home care, capable of training or instructing the person who will perform the medical activities; or**

**(2) ~~the~~ are performed by a person who performs the medical activity** has received training or instruction from a licensed health professional, within the professional's scope of practice, in how to properly perform the medical activity for the individual in need of self-directed ~~services~~ **in-home care**."

Page 2, delete lines 1 through 4.

Page 3, line 16, after "of" insert "**self-directed**".

Page 3, line 32, after "of" insert "**self-directed**".

Page 3, line 35, after "of" insert "**self-directed**".

Page 3, line 39, after "of" insert "**self-directed**".

Page 3, line 42, after "of" insert "**self-directed**".

Page 4, line 7, after "of" insert "**self-directed**".

(Reference is to EHB 1252 as reprinted February 26, 2002.)

C. BROWN	C. LAWSON
BECKER	BREAUX
House Conferees	Senate Conferees

The conference committee report was filed and read a first time.

**CONFEREES AND ADVISORS APPOINTED**

The Speaker announced the following changes in appointment of Representatives as conferees and advisors:

EHB 1257 Conferees: Crawford and Behning  
 Advisors: Bosma and Porter

The Speaker announced the following changes in appointment of Representatives as conferees and advisors:

EHB 1101 Conferees: Weinzapfel replacing Kromkowski  
 as Chair  
 Advisor: Weinzapfel removed

**RESOLUTIONS ON FIRST READING**

**House Concurrent Resolution 60**

Representatives Tinchler, Kersey, Gregg, Crosby, and Grubb introduced House Concurrent Resolution 60:

A CONCURRENT RESOLUTION honoring the YWCA, Terre Haute, Indiana, on the 100th anniversary of its founding.

*Whereas, From its beginning, the Young Women's Christian Association (YWCA) has played an important role in the development of Terre Haute, Indiana, and its citizens;*

*Whereas, In February 1902, the Terre Haute YWCA was established "to advance the physical, social, intellectual, moral, and spiritual interests of young women";*

*Whereas, The Terre Haute YWCA developed from two groups that merged in 1877: a prayer union and a home for young women;*

*Whereas, The Terre Haute YWCA, like YWCAs throughout the nation, was created to help women deal with the problems they encountered when entering the workforce;*



*Whereas, The YWCA provided women with inexpensive shelter and meals and offered social and educational activities;*

*Whereas, The first home of the Terre Haute YWCA was a house at 664 Ohio Street, and Joseph S. Jenckes was the first president;*

*Whereas, Throughout the years, the YWCA has adapted to the changing needs of women in the Terre Haute community, including the addition of an Extension and Industrial Department that brought services to working women at their places of employment; and*

*Whereas, The YWCA of today is constantly changing to better serve the needs of the modern woman: Therefore,*

*Be it resolved by the House of Representatives  
of the General Assembly of the State of Indiana,  
the Senate concurring:*

SECTION 1. That the Indiana General Assembly wishes to congratulate the Terre Haute YWCA on the 100th anniversary of its founding and to thank the YWCA for the many contributions it has made that improved the lives of the women of that community.

SECTION 2. That the Principal Clerk of the House of Representatives shall transmit a copy of this resolution to Becky Buse, director of the Terre Haute YWCA.

The resolution was read a first time and adopted by voice vote. The Clerk was directed to inform the Senate of the passage of the resolution. Senate sponsors: Senators Blade, Bray, and Waterman.

## REPORTS FROM COMMITTEES

### COMMITTEE REPORT

Mr. Speaker: Pursuant to Joint Rule 20, your Committee on Rules and Legislative Procedures, to which was referred Engrossed House Bill 1347 because it conflicts with SEA 60-2002 without properly recognizing the existence of SEA 60-2002, has had Engrossed House Bill 1347 under consideration and begs leave to report back to the House with the recommendation that Engrossed House Bill 1347 be corrected as follows:

Page 10, line 16, delete "P.L.118-2000," and insert "SEA 60-2002, SECTION 1,".

Page 10, line 17, delete "SECTION 9,".

Page 11, line 23, delete "resulting" and insert "caused by incident, accident, or violence that results".

Page 13, line 23, delete "P.L.118-2000," and insert "SEA 60-2002, SECTION 2,".

Page 13, line 24, delete "SECTION 14,".

Page 14, line 25, delete "resulting" and insert "caused by incident, accident, or violence that results".

Page 20, line 12, delete "P.L.1-2001," and insert "SEA 60-2002, SECTION 3,".

Page 20, line 13, delete "SECTION 46,".

Page 21, line 32, delete "resulting" and insert "caused by incident, accident, or violence that results".

Page 23, line 1, delete "P.L.118-2000," and insert "SEA 60-2002, SECTION 4,".

Page 23, line 2, delete "SECTION 28,".

Page 24, line 7, delete "resulting" and insert "caused by incident, accident, or violence that results".

(Reference is to EHB 1347 as printed February 22, 2002.)

MOSES, Chair  
MUNSON, R.R.M.  
ALDERMAN, Author

Report adopted.

## RULES SUSPENSION

### COMMITTEE REPORT

Mr. Speaker: Your Committee on Rules and Legislative Procedures has had under consideration House Rule 160.2 and recommends that said rule be suspended for the Second Regular Session of the 112th General Assembly so that the following conference committee reports may be placed before the House for action: Engrossed House Bills 1161-1 and 1298-1, Engrossed House Joint Resolution 2-1, and Engrossed Senate Bills 22-1, 99-1,

100-1, 102-1, 152-1, 222-1, 239-1, 248-1, 249-1, 259-1, 276-1, 277-1, 292-1, 343-1, 344-1, 367-1, 399-1, 407-1, 417-1, 461-1, 482-1, 488-1, 508-1, 509-1, and 528-1.

MOSES, Chair

Report adopted.

### HOUSE MOTION

Mr. Speaker: I move that House Rule 160.2 be suspended for the Second Regular Session of the 112th General Assembly so that the following conference committee reports may be placed before the House for action: Engrossed House Bills 1161-1 and 1298-1, Engrossed House Joint Resolution 2-1, and Engrossed Senate Bills 22-1, 99-1, 100-1, 102-1, 152-1, 222-1, 239-1, 248-1, 249-1, 259-1, 276-1, 277-1, 292-1, 343-1, 344-1, 367-1, 399-1, 407-1, 417-1, 461-1, 482-1, 488-1, 508-1, 509-1, and 528-1.

MOSES

Motion prevailed.

## CONFERENCE COMMITTEE REPORTS

### Engrossed House Bill 1298-1

The conference committee report was reread. Roll Call 379: yeas 82, nays 0. Report adopted.

### Engrossed House Bill 1161-1

The conference committee report was reread. Roll Call 380: yeas 86, nays 0. Report adopted.

Pursuant to House Rule 60, a meeting of the Committee on Rules and Legislative Procedures was announced and, pursuant to House Rule 156, conference committee meetings were announced.

The House recessed until the fall of the gavel.

## RECESS

The House reconvened at 1:40 p.m. with the Speaker in the Chair.

### MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the President Pro Tempore of the Senate has appointed the following Senators a conference committee to confer on Engrossed House Bill 1257:

Conferees: M. Young and Howard

MARY C. MENDEL  
Principal Secretary of the Senate

### MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the Senate has not concurred in House amendments to Engrossed Senate Bill 351 and the President Pro Tempore has appointed the following Senators a conference committee to meet and confer with a like committee of the House on said bill, and to report thereon:

Conferees: Lubbers, Chair; and Simpson

MARY C. MENDEL  
Principal Secretary of the Senate

### MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the Senate has adopted the Conference Committee Reports on Engrossed House Bills 1119-1 and 1298-1 and Engrossed House Joint Resolution 2-1.

MARY C. MENDEL  
Principal Secretary of the Senate

### MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the Senate has adopted the Conference Committee Reports on Engrossed Senate Bills 152-1, 222-1, 239-1, 249-1, 259-1, 276-1, 277-1, 292-1, 318-1, 344-1, 367-1, 407-1, 482-1, 488-1, and



508-1.

MARY C. MENDEL  
Principal Secretary of the Senate

## MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the Senate has concurred in the House amendments to Engrossed Senate Bill 329.

MARY C. MENDEL  
Principal Secretary of the Senate

## MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the Senate has accepted and approved the Joint Rule 20 correction on Engrossed House Bill 1347.

MARY C. MENDEL  
Principal Secretary of the Senate

## MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the Senate has passed House Concurrent Resolutions 19, 58, and 60 and the same are herewith returned to the House.

MARY C. MENDEL  
Principal Secretary of the Senate

## MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the Senate has passed Senate Concurrent Resolutions 2, 26, 31, 48, 57, 59, and 62 and the same are herewith transmitted to the House for further action.

MARY C. MENDEL  
Principal Secretary of the Senate

## CONFEREES AND ADVISORS APPOINTED

The Speaker announced the appointment of Representatives to conference committees on the following Engrossed Senate Bills:

ESB 351    Conferees: Welch and M. Smith  
              Advisors: Klinker and Budak

## ENROLLED ACTS SIGNED

The Speaker announced that he had signed House Enrolled Acts 1013, 1029, 1030, 1050, 1083, 1111, 1124, 1158, 1171, 1202, 1259, 1283, and 1294 and Senate Enrolled Acts 57, 77, 175, 178, 258, 293, 331, 357, and 489 on March 14.

## CONFERENCE COMMITTEE REPORTS

## CONFERENCE COMMITTEE REPORT

EHB 1138-1; filed March 14, 2002, at 10:50 a.m.

Mr. Speaker: Your Conference Committee appointed to confer with a like committee from the Senate upon Engrossed Senate Amendments to Engrossed House Bill 1138 respectfully reports that said two committee have conferred and agreed as follows to wit:

that the House recede from its dissent from all Senate amendments and that the House now concur in all Senate amendments to the bill and that the bill be further amended as follows:

Page 1, between the enacting clause and line 1, begin a new paragraph and insert:

"SECTION 1. IC 4-33-12-6.2 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 6.2. (a) This section applies only to a county that has a population of more than four hundred thousand (400,000) but less than seven hundred thousand (700,000).

(b) Notwithstanding any other law, the treasurer of state shall: (1) reduce any funds to which the county convention and visitors bureau and promotion fund would otherwise be entitled under this article by an amount equal to ten

percent (10%); and

(2) transfer, on a quarterly basis, the amount of the reduction to the northwest Indiana law enforcement training center.

(c) Money transferred under subsection (b)(2) may be used only to operate the northwest Indiana law enforcement training center.

SECTION 2. IC 6-1.1-21-10, AS AMENDED BY SEA 357-2002, SECTION 201, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 10. (a) There is established a property tax replacement fund board to consist of the commissioner of the department, the commissioner of the department of local government finance, the director of the budget agency, and two (2) ex officio nonvoting representatives of the general assembly of the state of Indiana. The speaker of the house of representatives shall appoint one (1) member of the house as one (1) of the ex officio nonvoting representatives, and the president pro tempore of the senate shall appoint one (1) senator as the other ex officio nonvoting representative, each to serve at the will of the appointing officer. The commissioner of the department shall be the chairman of the board, and the director of the budget agency shall be the secretary of the board.

(b) The board may, upon a vote of a majority of the members of the board, increase the percentage of property tax replacement funds to be distributed from the property tax replacement fund to the several counties for credit to the taxpayers in the counties as provided in this chapter if in the judgment of the board there are surplus funds available in the fund for the increased distribution. The board shall make such a determination on or before March 1 of each year relative to the amounts to be distributed from the property tax replacement fund for that year. Upon such a determination the commissioner of the department of state revenue shall immediately notify the treasurers of the several counties of the increased distribution.

(c) Except as provided in section 10.5 of this chapter, the schedule to be used in making distributions to county treasurers during the periods set forth in section 4(b) of this chapter is as follows:

January	0.00%
February	0.00%
March	16.70%
April	16.70%
May	16.60%
June	0.00%
July	0.00%
August	0.00%
September	16.70%
October	16.70%
November	16.60%
December	0.00%

The board may authorize the department to distribute the estimated distributions to counties earlier than what is required under section 4(b) of this chapter.

(d) The board is also authorized to transfer funds from the property tax replacement fund for the purpose of providing financial aid to school corporations as provided in IC 21-3.

SECTION 3. IC 6-1.1-21-10.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 10.5. (a) For estimated distributions payable before July 1, 2004, the board may authorize the department to distribute the estimated distributions under section 10(c) of this chapter to one (1) or more counties or to all counties earlier than what is required under section 4(b) or 10(c) of this chapter. The board may authorize the advance of an estimated distribution at any time during the calendar year in which the estimated distribution would otherwise be made. The board shall issue guidelines governing the application process for counties that apply for an advance of an estimated distribution under this subsection.

(b) This section expires July 1, 2004."

Page 3, line 17, delete "IC 8-1-2-103" and insert "IC 8-1-2-103, AS AMENDED BY SEA 399-2002, SECTION 66,".

Page 3, line 28, delete "(a)" and insert "(a)".

Page 3, line 28, delete "of this section,".

Page 5, line 36, delete "forty-three thousand (43,000)".

Page 5, line 37, delete "but less than forty-three thousand seven hundred (43,700)".

Page 5, line 37, reset in roman "fifty".

Page 5, line 38, reset in roman "thousand (50,000) but less than fifty-five thousand (55,000)".

Page 6, delete lines 37 through 42.

Delete page 7.

Page 8, delete lines 1 through 41.

Page 9, line 11, reset in roman "legislative".

Page 9, line 11, delete "fiscal".

Page 9, line 12, reset in roman "municipality".

Page 9, line 12, delete "unit that is served by the department,".

Page 9, delete lines 19 through 42.

Delete pages 10 through 11.

Page 12, delete lines 1 through 26.

Renumber all SECTIONS consecutively.

(Reference is to EHB 1138 as reprinted February 27, 2002.)

STEVENSON	SKILLMAN
AYRES	ANTICH
House Conferees	Senate Conferees

The conference committee report was filed and read a first time.

#### CONFERENCE COMMITTEE REPORT

EHB 1232-1; filed March 14, 2002, at 10:53 a.m.

Mr. Speaker: Your Conference Committee appointed to confer with a like committee from the Senate upon Engrossed Senate Amendments to Engrossed House Bill 1232 respectfully reports that said two committee have conferred and agreed as follows to wit:

that the House recede from its dissent from all Senate amendments and that the House now concur in all Senate amendments to the bill and that the bill be further amended as follows:

Page 1, delete lines 1 through 17.

Page 2, delete lines 1 through 41.

Page 44, delete lines 33 through 34.

Page 44, line 35, delete "(2)" and insert "(1)".

Page 44, line 38, delete "(3)" and insert "(2)".

Page 44, line 40, delete "(4)" and insert "(3)".

Page 45, line 15, after "shall" delete ":".

Page 45, delete lines 16 through 18.

Page 45, line 19, delete "(2)".

Page 45, run in lines 15 and 19.

Page 49, between lines 36 and 37, begin a new paragraph and insert:

"SECTION 66. IC 35-42-1-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 4. (a) **As used in this section, "child care provider" means a person who provides child care in or on behalf of:**

**(1) a child care center (as defined in IC 12-7-2-28.4); or**

**(2) a child care home (as defined in IC 12-7-2-28.6);**

**regardless of whether the child care center or child care home is licensed.**

**(b)** As used in this section, "fetus" means a fetus that has attained viability (as defined in IC 16-18-2-365).

**(c)** A person who kills another human being while committing or attempting to commit:

**(1) a Class C or Class D felony that inherently poses a risk of serious bodily injury;**

**(2) a Class A misdemeanor that inherently poses a risk of serious bodily injury; or**

**(3) battery;**

commits involuntary manslaughter, a Class C felony. However, if the killing results from the operation of a vehicle, the offense is a Class D felony.

**(d)** A person who kills a fetus while committing or attempting to commit:

**(1) a Class C or Class D felony that inherently poses a risk of serious bodily injury;**

**(2) a Class A misdemeanor that inherently poses a risk of serious bodily injury; or**

**(3) battery;**

commits involuntary manslaughter, a Class C felony. However, if the killing results from the operation of a vehicle, the offense is a Class D felony.

**(e) If:**

**(1) a child care provider recklessly supervises a child; and**

**(2) the child dies as a result of the child care provider's reckless supervision;**

**the child care provider commits involuntary manslaughter, a Class D felony."**

Renumber all SECTIONS consecutively.

(Reference is to EHB 1232 as reprinted February 27, 2002.)

L. LAWSON	CLARK
D. YOUNG	R. YOUNG
House Conferees	Senate Conferees

The conference committee report was filed and read a first time.

#### CONFERENCE COMMITTEE REPORT

ESB 360-1; filed March 14, 2002, at 11:08 a.m.

Mr. Speaker: Your Conference Committee appointed to confer with a like committee from the Senate upon Engrossed House Amendments to Engrossed Senate Bill 360 respectfully reports that said two committee have conferred and agreed as follows to wit:

that the Senate recede from its dissent from all House amendments and that the Senate now concur in all House amendments to the bill and that the bill be further amended as follows:

Page 1, delete lines 1 through 17.

Delete pages 2 through 4.

Page 5, delete lines 1 through 3.

Page 5, line 8, delete "for".

Page 5, line 9, after "(1)" insert "**for**".

Page 5, line 10, after "(2)" insert "**for**".

Page 5, line 10, delete "and" and insert "**or**".

Page 5, line 11, after "(3)" insert "**to recover compensatory**".

Page 5, line 15, after "fees" delete "to" and insert ".".

Page 5, delete lines 16 through 26.

Renumber all SECTIONS consecutively.

(Reference is to ESB 360 as reprinted February 26, 2002.)

HARRISON	GOODIN
LANANE	CHERRY
Senate Conferees	House Conferees

The conference committee report was filed and read a first time.

#### CONFERENCE COMMITTEE REPORT

ESB 504-1; filed March 14, 2002, at 11:13 a.m.

Mr. Speaker: Your Conference Committee appointed to confer with a like committee from the Senate upon Engrossed House Amendments to Engrossed Senate Bill 504 respectfully reports that said two committee have conferred and agreed as follows to wit:

that the Senate recede from its dissent from all House amendments and that the Senate now concur in all House amendments to the bill and that the bill be further amended as follows:

Replace the effective date in SECTION 19 with "[EFFECTIVE JULY 1, 2000 (RETROACTIVE)]:".

Page 16, line 42, after "IC 16-22-2" insert ", **IC 16-22-8**".

Page 17, line 1, delete "For a state fiscal year ending after June 30, 1997, but before".

Page 17, delete lines 2 through 16.

Page 17, line 17, delete "(c)".

Page 17, run in lines 1 and 17.

Page 17, line 17, reset in roman "June 30, 2000,".

Page 17, line 17, delete "June 30, 2002,".

Page 17, line 21, after "aggregate" insert "**inpatient hospital**".

Page 17, line 21, after "services" insert ",".

Page 17, line 22, strike "reimbursed" and insert "**reimbursable**".

Page 17, line 22, after "article" insert "**and under the state Medicaid plan, that were**".

Page 17, line 22, after "provided" insert "**during the state fiscal year**".

Page 17, line 24, after "aggregate" insert "**inpatient hospital**".

Page 17, line 26, after "article" insert **"and under the state Medicaid plan"**.

Page 17, line 29, strike "one" and insert **"a percentage"**.

Page 17, line 30, strike "hundred".

Page 17, line 30, strike "percent".

Page 17, line 30, delete "(100%)".

Page 17, line 32, after "for" insert **"the inpatient hospital"**.

Page 17, line 33, after "principles." insert **"The office shall apply in this STEP the maximum percentage permitted for the state under federal Medicaid law."**

Page 17, strike lines 36 through 42.

Page 18, strike lines 1 through 12.

Page 18, line 13, strike "SEVEN" and insert **"FIVE"**.

Page 18, line 13, delete "to an eligible hospital described in".

Page 18, delete line 14.

Page 18, line 15, delete "(A)" and run in lines 13 and 15.

Page 18, line 15, strike "SIX" and insert **"FOUR"**.

Page 18, line 16, reset in roman "(c)".

Page 18, line 16, delete "(d)".

Page 18, line 17, strike "hospital specific limit under 42" and insert **"Medicaid shortfall as defined in subsection (f)."**

Page 18, line 18, strike "U.S.C. 1396r-4(g), as determined by the office,".

Page 18, line 18, delete "or".

Page 18, delete lines 19 through 21.

Page 18, line 22, reset in roman "(c)".

Page 18, line 22, delete "(d)".

Page 18, line 22, reset in roman "(e)".

Page 18, line 22, delete "(f)".

Page 18, line 22, after "reimbursement" insert **"for a state fiscal year"**.

Page 18, line 25, delete "2002," and insert **"2001,"**.

Page 18, line 26, strike "A payment described in this subsection is not due to a" and insert **"A hospital is not eligible for a payment described in this subsection unless an intergovernmental transfer is made under subsection (d)."**

Page 18, strike lines 27 through 29.

Page 18, line 30, strike "(2) an intergovernmental transfer is made under subsection".

Page 18, delete line 31.

Page 18, line 32, reset in roman "(d)".

Page 18, line 32, before "Subject" delete "(e)".

Page 18, line 32, after "subsection", reset in roman "(e)".

Page 18, line 32, delete "(f)".

Page 18, line 36, strike "shall" and insert **"must"**.

Page 18, line 36, delete ":".

Page 18, line 37, delete "in" and insert **"in an amount equal to a percentage, as determined by the office, of the amount to be distributed to the hospital under STEP FIVE of subsection (b). In determining the percentage, the office shall apply the same percentage of not more than eighty-five percent (85%) to all hospitals eligible for reimbursement under STEP FIVE of subsection (b). The office shall use the intergovernmental transfer to fund payments made under this section and as otherwise provided under IC 12-15-20-2(5)."**

Page 18, delete lines 38 through 40.

Page 18, line 41, delete "(2) for a state fiscal year ending after June 30, 2002, in".

Page 18, line 41, strike "an".

Page 18, line 42, strike "amount equal to".

Page 18, line 42, delete "or less than".

Page 18, line 42, strike "eighty-five percent (85%) of the".

Page 19, strike line 1.

Page 19, line 2, strike "subsection".

Page 19, line 2, delete "(c)".

Page 19, strike lines 3 through 7.

Page 19, line 8, reset in roman "(e)".

Page 19, line 8, delete "(f)".

Page 19, line 9, reset in roman "(d)".

Page 19, line 9, delete "(e)".

Page 19, line 10, delete "subsection (b) or".

Page 19, line 11, strike "SEVEN" and insert **"FIVE"**.

Page 19, line 11, reset in roman "(b)".

Page 19, line 11, after "(b)" delete "(c)".

Page 19, line 11, after "subsections" reset in roman "(c)".

Page 19, line 12, delete "(d)".

Page 19, line 12, after "and" reset in roman "(d)".

Page 19, line 12, delete "(e)".

Page 19, line 15, delete "subsection (b) or".

Page 19, line 15, strike "SEVEN" and insert **"FIVE"**.

Page 19, line 15, after "of subsection" reset in roman "(b)".

Page 19, line 15, delete "(c)".

Page 19, line 19, delete "subsection (b) or".

Page 19, line 19, strike "SEVEN" and insert **"FIVE"**.

Page 19, line 19, after "of subsection" reset in roman "(b)".

Page 19, line 19, delete "(c)".

Page 19, line 24, reset in roman "(f)".

Page 19, line 24, delete "(g)".

Page 19, line 24, strike "The office may not implement this section until the federal".

Page 19, strike lines 25 through 28 and insert: **"For purposes of this section:**

**(1) a hospital's Medicaid shortfall is calculated as follows:**

**STEP ONE: The office shall identify the inpatient hospital services, reimbursable under this article and under the state Medicaid plan, that were provided during the state fiscal year by the hospital.**

**STEP TWO: For the inpatient hospital services identified under STEP ONE, the office shall calculate the payments made under this article and under the state Medicaid plan to the hospital, excluding payments under IC 12-15-16, IC 12-15-17, and IC 12-15-19.**

**STEP THREE: The office shall calculate an amount equal to a percentage of a reasonable estimate of the amount that would have been paid by the office for the inpatient hospital services described in STEP ONE under Medicare payment principles. The office shall apply in this STEP the maximum percentage permitted for the state under federal Medicaid law; and**

**(2) a hospital's Medicaid shortfall is equal to the amount by which the amount calculated in STEP THREE of subdivision (1) is greater than the amount calculated in STEP TWO of subdivision (1)."**

Page 19, line 29, reset in roman "(g)".

Page 19, line 29, delete "(h)".

Page 19, line 29, strike "This subsection applies to the state fiscal year beginning July".

Page 19, line 30, strike "1,".

Page 19, line 30, delete "2002,".

Page 19, line 30, strike "and ending June 30,".

Page 19, line 30, delete "2003,".

Page 19, line 30, strike "If federal law will not".

Page 19, strike line 31.

Page 19, line 32, strike "be applied to all services identified in STEP ONE of subsection".

Page 19, line 32, delete "(c)".

Page 19, strike lines 33 through 35.

Page 19, line 36, strike "calculated in STEP THREE of subsection".

Page 19, line 36, delete "(c)".

Page 19, line 36, strike "to exceed the".

Page 19, strike line 37.

Page 20, between lines 1 and 2, begin a new paragraph and insert: **"SECTION 13. IC 12-15-15-1.3 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2000 (RETROACTIVE)]: Sec. 1.3. (a) This section applies to a hospital that is:**

**(1) licensed under IC 16-21; and**

**(2) established and operated under IC 16-22-2, IC 16-22-8, or IC 16-23.**

**(b) For a state fiscal year ending after June 30, 2000, in addition to reimbursement received under section 1 of this chapter, a hospital is entitled to reimbursement in an amount calculated as follows:**

**STEP ONE:** The office shall identify the aggregate outpatient hospital services, reimbursable under this article and under the state Medicaid plan, that were provided during the state fiscal year by hospitals established and operated under IC 16-22-2, IC 16-22-8, and IC 16-23.

**STEP TWO:** For the aggregate outpatient hospital services identified under STEP ONE, the office shall calculate the aggregate payments made under this article and under the state Medicaid plan to hospitals established and operated under IC 16-22-2, IC 16-22-8, and IC 16-23, excluding payments under IC 12-15-16, IC 12-15-17, and IC 12-15-19.

**STEP THREE:** The office shall calculate an amount equal to a percentage of a reasonable estimate of the amount that would have been paid in the aggregate by the office under Medicare payment principles for the outpatient hospital services described in STEP ONE. The office shall apply in this STEP the maximum percentage permitted for the state under federal Medicaid law.

**STEP FOUR:** Subtract the amount calculated under STEP TWO from the amount calculated under STEP THREE.

**STEP FIVE:** Distribute an amount equal to the amount calculated under STEP FOUR to the eligible hospitals described in subsection (c) in proportion to each hospital's Medicaid shortfall as defined in subsection (f).

(c) Subject to subsection (e), the reimbursement for a state fiscal year under this section consists of a single payment made before December 31 following the end of the state fiscal year. A hospital is not eligible for a payment described in this subsection unless an intergovernmental transfer is made under subsection (d).

(d) Subject to subsection (e), a hospital may make an intergovernmental transfer under this subsection, or an intergovernmental transfer may be made on behalf of the hospital, after the close of each state fiscal year. An intergovernmental transfer under this subsection must be made to the Medicaid indigent care trust fund in an amount equal to a percentage, as determined by the office, of the amount to be distributed to the hospital under STEP FIVE of subsection (b). In determining the percentage, the office shall apply the same percentage of not more than eighty-five percent (85%) to all hospitals eligible for reimbursement under STEP FIVE of subsection (b). The office shall use the intergovernmental transfer to fund payments made under this section and as otherwise provided under IC 12-15-20-2(5).

(e) A hospital making an intergovernmental transfer under subsection (d) may appeal under IC 4-21.5 the amount determined by the office to be paid by the hospital under STEP FIVE of subsection (b). The periods described in subsections (c) and (d) for the hospital to make an intergovernmental transfer are tolled pending the administrative appeal and any judicial review initiated by the hospital under IC 4-21.5. The distribution to other hospitals under STEP FIVE of subsection (b) may not be delayed due to an administrative appeal or judicial review instituted by a hospital under this subsection. If necessary, the office may make a partial distribution to the other eligible hospitals under STEP FIVE of subsection (b) pending the completion of a hospital's administrative appeal or judicial review, at which time the remaining portion of the payments due to the eligible hospitals must be made. A partial distribution may be calculated by the office based upon estimates and trends.

(f) For purposes of this section:

(1) a hospital's Medicaid shortfall is calculated as follows:

**STEP ONE:** The office shall identify the outpatient hospital services, reimbursable under this article and under the state Medicaid plan, that were provided during the state fiscal year by the hospital.

**STEP TWO:** For the outpatient hospital services identified under STEP ONE, the office shall calculate the payments made under this article and under the state Medicaid plan to the hospital, excluding payments under IC 12-15-16, IC 12-15-17, and IC 12-15-19.

**STEP THREE:** The office shall calculate an amount

equal to a percentage of a reasonable estimate of the amount that would have been paid by the office for the outpatient hospital services described in STEP ONE under Medicare payment principles. The office shall apply in this STEP the maximum percentage permitted for the state under federal Medicaid law; and

(2) a hospital's Medicaid shortfall is equal to the amount by which the amount calculated in STEP THREE of subdivision (1) is greater than the amount calculated in STEP TWO of subdivision (1)."

Page 22, line 21, after "fund" insert ",".

Page 22, line 21, strike "under".

Page 22, line 22, delete "IC 12-15-15-1.1(e)".

Page 22, line 24, strike "under".

Page 22, line 25, delete "IC 12-15-15-1.1(e)".

Page 22, line 30, strike "under".

Page 22, line 31, delete "IC 12-15-15-1.1(e)".

Page 22, line 31, strike "years" and insert "year".

Page 22, line 31, strike "after".

Page 22, line 32, strike "2000," and insert "2001,".

Page 22, line 32, delete "but before July 1, 2004,".

Page 22, line 35, strike "under".

Page 22, line 35, delete "IC 12-15-15-1.1(e)".

Page 22, line 39, after "transfers" insert ", if any,".

Page 22, line 39, strike "under".

Page 22, line 40, delete "IC 12-15-15-1.1(e)".

Page 22, line 40, reset in roman "year".

Page 22, line 40, delete "years".

Page 23, line 5, after "(C)" insert "Of the intergovernmental transfers deposited into the Medicaid indigent care trust fund, for state fiscal years beginning July 1, 2001, July 1, 2002, and July 1, 2003, an amount equal to:

(i) one hundred percent (100%) of the total intergovernmental transfers deposited into the Medicaid indigent care trust fund for the state fiscal year beginning July 1, 1998; minus

(ii) an amount equal to the amount deposited into the Medicaid indigent care trust fund under IC 12-15-15-9(d) for the state fiscal years beginning July 1, 2001, July 1, 2002, and July 1, 2003;

shall be used to fund the state's share of disproportionate share payments to providers under IC 12-15-19-2.1. The remainder of the intergovernmental transfers, if any, must be used to fund the state's share of additional Medicaid payments to hospitals licensed under IC 16-21 pursuant to a methodology adopted by the office.

(D)".

Page 23, line 6, delete "under IC 12-15-15-1.1(e)".

Page 23, line 8, after "to" insert ":

(i)".

Page 23, line 10, delete "under IC 12-15-15-1.1(e)".

Page 23, line 12, delete "1999," and insert "1999; minus

(ii) an amount equal to the amount deposited into the Medicaid indigent care trust fund under IC 12-15-15-9(d) for the state fiscal year ending June 30, 2004;".

Page 23, line 12, beginning with "shall" begin a new line double block indented.

Page 23, line 15, after "transfers" insert ", if any,".

Page 23, line 15, delete "under IC 12-15-15-1.1(e)".

Page 23, line 20, delete "(D)" and insert "(E)".

Page 23, line 28, delete "(E)" and insert "(F)".

Page 36, line 33, after "beginning" reset in roman "July 1,".

Page 36, line 33, strike "2000,".

Page 40, between lines 13 and 14, begin a new paragraph and insert:

"SECTION 44. IC 12-17.8-2-0.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: **Sec. 0.5. This chapter applies after June 30, 2004.**"

Page 43, between lines 11 and 12, begin a new paragraph and

insert:

"SECTION 51. [EFFECTIVE JULY 1, 2000 (RETROACTIVE)]  
(a) For purposes of reimbursement under IC 12-15-15-1.1, as amended by this act, for the state fiscal year ending June 30, 2001, the office shall do the following:

(1) Include in the office's calculation under STEP TWO of IC 12-15-15-1.1(b), payments made under IC 12-15-15-1.1, as amended by P.L.283-2001, SECTION 19, attributable to inpatient hospital services provided during the state fiscal year ending June 30, 2001.

(2) Include in the office's calculation under STEP TWO of IC 12-15-15-1.1(f), payments made under IC 12-15-15-1.1, as amended by P.L.283-2001, SECTION 19, attributable to inpatient hospital services provided during the state fiscal year ending June 30, 2001.

(3) Reimburse in a single payment before December 31, 2002.

(b) This SECTION expires December 31, 2003.

SECTION 52. [EFFECTIVE JULY 1, 2000 (RETROACTIVE)]  
(a) For purposes of reimbursement under IC 12-15-15-1.3, as added by this act, for the state fiscal year ending June 30, 2001, the office shall do the following:

(1) Include in the office's calculation under STEP TWO of IC 12-15-15-1.3(b), payments made under IC 12-15-15-1.1, as amended by P.L.283-2001, SECTION 19, attributable to outpatient hospital services provided during the state fiscal year ending June 30, 2001.

(2) Include in the office's calculation under STEP TWO of IC 12-15-15-1.3(f), payments made under IC 12-15-15-1.1, as amended by P.L.283-2001, SECTION 19, attributable to outpatient hospital services provided during the state fiscal year ending June 30, 2001.

(3) Reimburse in a single payment before December 31, 2002.

(b) This SECTION expires December 31, 2003."

Renumber all SECTIONS consecutively.

(Reference is to ESB 504 as printed February 22, 2002.)

JOHNSON	CRAWFORD
BREAUX	BECKER
Senate Conferees	House Conferees

The conference committee report was filed and read a first time.

CONFERENCE COMMITTEE REPORT  
EHB 1191-1; filed March 14, 2002, at 11:20 a.m.

Mr. Speaker: Your Conference Committee appointed to confer with a like committee from the Senate upon Engrossed Senate Amendments to Engrossed House Bill 1191 respectfully reports that said two committee have conferred and agreed as follows to wit:

that the House recede from its dissent from all Senate amendments and that the House now concur in all Senate amendments to the bill and that the bill be further amended as follows:

Page 1, between the enacting clause and line 1, begin a new paragraph and insert:

"SECTION 1. IC 27-1-12.5-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 3. (a) The minimum values as specified in sections 4, 5, 6, 7, and 9 of this chapter of any paid-up annuity, cash surrender or death benefits available under an annuity contract shall be based upon minimum nonforfeiture amounts as defined in this section.

(b) With respect to any annuity contract providing for flexible considerations, the minimum nonforfeiture amounts at any time at or prior to the commencement of any annuity payments shall be equal to an accumulation up to such time at a rate of interest of three percent (3%) per annum of percentages of the net considerations (as hereinafter defined) paid prior to such time, decreased by the sum of:

(1) any prior withdrawals from or partial surrenders of the contract accumulated at a rate of interest of three percent (3%) per annum; and

(2) the amount of any indebtedness to the company on the contract, including interest due and accrued; and increased by any existing additional amounts credited by the

company to the contract. The net considerations for a given contract year used to define the minimum nonforfeiture amount shall be an amount not less than zero and shall be equal to the corresponding gross considerations credited to the contract during that contract year less than an annual contract charge of thirty dollars (~~(\$30.00)~~ (\$30) and less a collection charge of one dollar and twenty-five cents (\$1.25) per consideration credited to the contract during that contract year. The percentages of net considerations shall be sixty-five percent (65%) of the net consideration for the first contract year and eighty-seven and one-half percent (87.5%) of the net considerations for the second and later contract years. Notwithstanding the provisions of the preceding sentence, the percentage shall be sixty-five percent (65%) of the portion of the total net consideration for any renewal contract year which exceeds by not more than two (2) times the sum of those portions of the net considerations in all prior contract years for which the percentage was sixty-five percent (65%).

(c) With respect to any annuity contract providing for fixed scheduled considerations, minimum nonforfeiture amounts shall be calculated on the assumption that considerations are paid annually in advance and shall be defined as for contracts with flexible considerations which are paid annually with two (2) exceptions:

(1) The portion of the net consideration for the first contract year to be accumulated shall be the sum of sixty-five percent (65%) of the net consideration for the first contract year plus twenty-two and one-half percent (22.5%) of the excess of the net consideration for the first contract year over the lesser of the net considerations for the second and third contract years.

(2) The annual contract charge shall be the lesser of (i) thirty dollars (~~(\$30.00)~~ (\$30) or (ii) ten percent (10%) of the gross annual consideration.

(d) With respect to any annuity contract providing for a single consideration, minimum nonforfeiture amounts shall be defined as for contracts with flexible considerations except that the percentage of net consideration used to determine the minimum nonforfeiture amount shall be equal to ninety percent (90%) and the net consideration shall be the gross consideration less a contract charge of seventy-five dollars (~~(\$75.00)~~ (\$75).

(e) Notwithstanding any other provision of this section, the minimum nonforfeiture amount for any contract issued on or after July 1, 2002, and before July 1, 2004, shall be based on a rate of interest of one and one-half percent (1.5%) per annum."

Page 3, line 30, delete "procedure or".

Page 13, between lines 2 and 3, begin a new paragraph and insert:  
"SECTION 4. IC 27-9-3-40.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 40.5. (a) A claim under a contract that is funded by an account established under IC 27-1-5-1 as a segregated investment account must be satisfied from the assets maintained in the account. The segregated investment account is not chargeable with a liability arising out of other business that the insurer conducts that has no specific relation to or dependence on the account.

(b) Surplus remaining in a segregated investment account by virtue of a guarantee by the insurer as described in IC 27-1-5-1 must be included in the assets of the insurer's estate.

(c) A deficit in a segregated investment account by virtue of a guarantee by an insurer as described in IC 27-1-5-1 must be treated as a Class 2 claim under section 40 of this chapter."

Page 15, after line 31, begin a new paragraph and insert:

"SECTION 11. An emergency is declared for this act."

Renumber all SECTIONS consecutively.

(Reference is to EHB 1191 as reprinted February 27, 2002.)

BODIKER	NUGENT
YOUNT	MRVAN
House Conferees	Senate Conferees

The conference committee report was filed and read a first time.

CONFERENCE COMMITTEE REPORT  
EHB 1214-1; filed March 14, 2002, at 11:27 a.m.

Mr. Speaker: Your Conference Committee appointed to confer

with a like committee from the Senate upon Engrossed Senate Amendments to Engrossed House Bill 1214 respectfully reports that said two committee have conferred and agreed as follows to wit:

that the House recede from its dissent from all Senate amendments and that the House now concur in all Senate amendments to the bill and that the bill be further amended as follows:

Delete everything after the enacting clause and insert the following:

SECTION 1. IC 12-17.2-3.5-5, AS ADDED BY P.L.247-2001, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 5. A provider shall have:

- (1) working smoke detectors that meet the standards adopted by rule for smoke detectors in licensed child care homes; and
- (2) running water;

in the area of the facility where the provider provides child care.

SECTION 2. IC 12-17.2-3.5-10, AS ADDED BY P.L.247-2001, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 10. (a) A facility where a provider provides child care must have two (2) exits that:

- (1) do not require passage through a:
  - (A) garage; or
  - (B) storage area;
 where hazardous materials are stored;
- (2) are not windows;
- (3) are on different sides of the facility;
- (4) are not blocked; and
- (5) are operable from the inside without the use of a key or any special knowledge.

(b) A provider shall:

- (1) conduct monthly documented fire drills:
  - (A) in accordance with Article 13 of the Indiana fire code the rules of the fire prevention and building safety commission; and
  - (B) that include complete evacuation of all:
    - (i) children; and
    - (ii) adults who provide child care;
 in the facility;
- (2) maintain documentation of all fire drills conducted during the immediately preceding twelve (12) month period, including:
  - (A) the date and time of the fire drill;
  - (B) the name of the individual who conducted the fire drill;
  - (C) the weather conditions at the time of the fire drill; and
  - (D) the amount of time required to fully evacuate the facility; and
- (3) maintain a two and one-half (2 ½) pound or greater ABC multiple purpose fire extinguisher:
  - (A) on each floor of the facility; and
  - (B) in the kitchen area of the facility;

in each facility where the provider provides child care.

SECTION 3. IC 12-17.2-3.5-11.1 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 11.1. (a) After December 31, 2002, a provider shall maintain and annually update documentation provided by the physician of each child who is cared for in a facility where the provider provides child care that the child has received complete age appropriate immunizations, including:

- (1) conjugated pneumococcal vaccine; and
- (2) varicella vaccine or a demonstrated immunity to varicella.

The state department of health shall determine for each age level the immunizations that constitute complete age appropriate immunizations.

(b) A provider meets the requirement of subsection (a) if:

- (1) a child's parent:
  - (A) objects to immunizations for religious reasons; and
  - (B) provides documentation of the parent's objection; or
- (2) the child's physician provides documentation of a medical reason the child should not be immunized;

and the provider maintains and annually updates the documentation provided by the parent or physician under this subsection.

SECTION 4. [EFFECTIVE JULY 1, 2002] IC 12-17.2-3.5-10(a), as amended by this act, applies to a provider that begins receiving voucher payments after June 30, 2002.

Renumber all SECTIONS consecutively.

(Reference is to EHB 1214 as printed February 22, 2002.)

SUMMERS	C. LAWSON
BUDAK	ANTICH
House Conferees	Senate Conferees

The conference committee report was filed and read a first time.

#### CONFERENCE COMMITTEE REPORT ESB 506-1; filed March 14, 2002, at 11:44 a.m.

Mr. Speaker: Your Conference Committee appointed to confer with a like committee from the Senate upon Engrossed House Amendments to Engrossed Senate Bill 506 respectfully reports that said two committee have conferred and agreed as follows to wit:

that the Senate recede from its dissent from all House amendments and that the Senate now concur in all House amendments to the bill and that the bill be further amended as follows:

Page 2, between lines 32 and 33, begin a new paragraph and insert:

"SECTION 3. IC 5-14-6 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]:

**Chapter 6. Electronic Transmission of Reports to the General Assembly**

Sec. 1. As used in this chapter, "public agency" includes the following:

- (1) The judicial branch of state government.
- (2) A state agency (as defined in IC 4-13-1-1).
- (3) A body corporate and politic created by statute.
- (4) A state educational institution (as defined in IC 20-12-0.5-1).

Sec. 2. As used in this chapter, "report" includes any annual or other report that a public agency:

- (1) voluntarily; or
- (2) under a statutory directive;

submits to the entire membership of the general assembly, the legislative services agency, or the legislative council. The term does not include any document prepared for or at the request of an individual member or committee of the general assembly.

Sec. 3. (a) A public agency may not submit a report to the general assembly, the legislative services agency, or the legislative council on paper.

(b) Notwithstanding any law, no funds appropriated to a public agency from the state treasury may be used to duplicate, print, distribute, or mail a report to the general assembly, the legislative services agency, or the legislative council in violation of this chapter.

Sec. 4. (a) A public agency shall submit all reports in an electronic format specified by the executive director of the legislative services agency. Unless otherwise specified in statute, the electronic copy shall be delivered to the executive director of the legislative services agency.

(b) An agency that submits a report under subsection (a) shall do the following:

- (1) Post, or cause to be posted, a copy of the report on the Internet.
- (2) Send a copy of the report to each member of the general assembly, using the member's senate or house of representatives electronic mail address.

(c) The legislative services agency shall periodically compile reports received under this chapter on a CD-ROM or other suitable storage medium and shall distribute copies of the CD-ROM or other medium to any member of the general assembly who requests a copy.

SECTION 4. [EFFECTIVE UPON PASSAGE] (a) The legislative services agency, under the direction of the code

revision commission, shall prepare legislation for introduction during the 2003 regular session of the general assembly that brings statutes concerning annual or other reports by public agencies into conformity with the provisions of this act.

**(b) This SECTION expires January 1, 2004."**

Renumber all SECTIONS consecutively.

(Reference is to ESB 506 as printed February 22, 2002.)

FORD	DOBIS
ALEXA	MURPHY
Senate Conferees	House Conferees

The conference committee report was filed and read a first time.

**CONFERENCE COMMITTEE REPORT**  
**ESB 290-1; filed March 14, 2002, at 1:03 p.m.**

Mr. Speaker: Your Conference Committee appointed to confer with a like committee from the Senate upon Engrossed House Amendments to Engrossed Senate Bill 290 respectfully reports that said two committee have conferred and agreed as follows to wit:

that the Senate recede from its dissent from all House amendments and that the Senate now concur in all House amendments to the bill and that the bill be further amended as follows:

Page 1, delete lines 1 through 17, begin a new paragraph, and insert:

"SECTION 1. IC 20-8.1-6.1-8, AS AMENDED BY SEA 216-2002, SECTION 85, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 8. (a) As used in this section, the following terms have the following meanings:

(1) "Class of school" refers to a classification of each school or program in the transferee corporation by the grades or special programs taught at the school. Generally, these classifications are denominated as kindergarten, elementary school, middle school or junior high school, high school, and special schools or classes, such as schools or classes for special education, vocational training, or career education.

(2) "ADM" means the following:

(A) For purposes of allocating to a transfer student state distributions under IC 21-1-30 (primetime), "ADM" as computed under IC 21-1-30-2.

(B) For all other purposes, "ADM" as set forth in IC 21-3-1.6-1.1.

(3) "Pupil enrollment" means the following:

(A) The total number of students in kindergarten through grade 12 who are enrolled in a transferee school corporation on a date determined by the Indiana state board of education.

(B) The total number of students enrolled in a class of school in a transferee school corporation on a date determined by the Indiana state board of education.

However, a kindergarten student shall be counted under clauses (A) and (B) as one-half (½) a student.

(4) "Special equipment" means equipment that during a school year:

(A) is used only when a child with disabilities is attending school;

(B) is not used to transport a child to or from a place where the child is attending school;

(C) is necessary for the education of each child with disabilities that uses the equipment, as determined under the individualized instruction program for the child; and

(D) is not used for or by any child who is not a child with disabilities.

The Indiana state board of education may select a different date for counts under subdivision (3). However, the same date shall be used for all school corporations making a count for the same class of school.

(b) Each transferee corporation is entitled to receive for each school year on account of each transferred student, except a student transferred under section 3 of this chapter, transfer tuition from the transferor corporation or the state as provided in this chapter. Transfer tuition equals the amount determined under STEP THREE of the following formula:

STEP ONE: Allocate to each transfer student the capital

expenditures for any special equipment used by the transfer student and a proportionate share of the operating costs incurred by the transferee school for the class of school where the transfer student is enrolled.

STEP TWO: If the transferee school included the transfer student in the transferee school's ADM for a school year, allocate to the transfer student a proportionate share of the following general fund revenues of the transferee school for, except as provided in clause (C), the calendar year in which the school year ends:

(A) The following state distributions that are computed in any part using ADM or other pupil count in which the student is included:

(i) Primetime grant under IC 21-1-30.

(ii) Tuition support for basic programs and at-risk weights under IC 21-3-1.7-8 (before January 1, 1996) and only for basic programs (after December 31, 1995).

(iii) Enrollment growth grant under IC 21-3-1.7-9.5.

(iv) At-risk grant under IC 21-3-1.7-9.7.

(v) Academic honors diploma award under IC 21-3-1.7-9.8.

(vi) Vocational education grant under ~~IC 21-3-1.8-3~~ **IC 21-3-12.**

**(vii) Special education grant under IC 21-3-2.1.**

~~(vii)~~ **(viii)** The portion of the ADA flat grant that is available for the payment of general operating expenses under IC 21-3-4.5-2(b)(1).

(B) For school years beginning after June 30, 1997, property tax levies.

(C) For school years beginning after June 30, 1997, excise tax revenue (as defined in IC 21-3-1.7-2) received for deposit in the calendar year in which the school year begins.

(D) For school years beginning after June 30, 1997, allocations to the transferee school under IC 6-3.5.

STEP THREE: Determine the greater of:

(A) zero (0); or

(B) the result of subtracting the STEP TWO amount from the STEP ONE amount.

If a child is placed in an institution or facility in Indiana under a court order, the institution or facility shall charge the county office of the county of the student's legal settlement under IC 12-19-7 for the use of the space within the institution or facility (commonly called capital costs) that is used to provide educational services to the child based upon a prorated per student cost.

(c) Operating costs shall be determined for each class of school where a transfer student is enrolled. The operating cost for each class of school is based on the total expenditures of the transferee corporation for the class of school from its general fund expenditures as specified in the classified budget forms prescribed by the state board of accounts. This calculation excludes:

(1) capital outlay;

(2) debt service;

(3) costs of transportation;

(4) salaries of board members;

(5) contracted service for legal expenses; and

(6) any expenditure which is made out of the general fund from extracurricular account receipts;

for the school year.

(d) The capital cost of special equipment for a school year is equal to:

(1) the cost of the special equipment; divided by

(2) the product of:

(A) the useful life of the special equipment, as determined under the rules adopted by the Indiana state board of education; multiplied by

(B) the number of students using the special equipment during at least part of the school year.

(e) When an item of expense or cost described in subsection (c) cannot be allocated to a class of school, it shall be prorated to all classes of schools on the basis of the pupil enrollment of each class in the transferee corporation compared to the total pupil enrollment in the school corporation.



(f) Operating costs shall be allocated to a transfer student for each school year by dividing:

- (1) the transferee school corporation's operating costs for the class of school in which the transfer student is enrolled; by
- (2) the pupil enrollment of the class of school in which the transfer student is enrolled.

When a transferred student is enrolled in a transferee corporation for less than the full school year of pupil attendance, the transfer tuition shall be calculated by the portion of the school year for which the transferred student is enrolled. A school year of pupil attendance consists of the number of days school is in session for pupil attendance. A student, regardless of the student's attendance, is enrolled in a transferee school unless the student is no longer entitled to be transferred because of a change of residence, the student has been excluded or expelled from school for the balance of the school year or for an indefinite period, or the student has been confirmed to have withdrawn from school. The transferor and the transferee corporation may enter into written agreements concerning the amount of transfer tuition due in any school year. Where an agreement cannot be reached, the amount shall be determined by the Indiana state board of education, and costs may be established, when in dispute, by the state board of accounts.

(g) A transferee school shall allocate revenues described in subsection (b) STEP TWO to a transfer student by dividing:

- (1) the total amount of revenues received; by
- (2) the ADM of the transferee school for the school year that ends in the calendar year in which the revenues are received.

However, for state distributions under IC 21-1-30, **IC 21-3-2.1, IC 21-3-12**, or any other statute that computes the amount of a state distribution using less than the total ADM of the transferee school, the transferee school shall allocate the revenues to the transfer student by dividing the revenues that the transferee school is eligible to receive in a calendar year by the pupil count used to compute the state distribution.

(h) In lieu of the payments provided in subsection (b), the transferor corporation or state owing transfer tuition may enter into a long term contract with the transferee corporation governing the transfer of students. This contract is for a maximum period of five (5) years with an option to renew, and may specify a maximum number of pupils to be transferred and fix a method for determining the amount of transfer tuition and the time of payment, which may be different from that provided in section 9 of this chapter.

(i) If the school corporation can meet the requirements of IC 21-1-30-5, it may negotiate transfer tuition agreements with a neighboring school corporation that can accommodate additional students. Agreements under this section may be for one (1) year or longer and may fix a method for determining the amount of transfer tuition or time of payment that is different from the method, amount, or time of payment that is provided in this section or section 9 of this chapter. A school corporation may not transfer a student under this section without the prior approval of the child's parent or guardian.

(j) If a school corporation experiences a net financial impact with regard to transfer tuition that is negative for a particular school year as described in IC 6-1.1-19-5.1, the school corporation may appeal for an excessive levy as provided under IC 6-1.1-19-5.1.

**SECTION 2. IC 20-10.1-28-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]:** Sec. 6. Upon review of the applications received under section 5 of this chapter and receipt of the recommendations from the advisory committee under section 10 of this chapter, the department may award grants to school corporations subject to available money and in accordance with the following priorities:

- (1) To the extent possible, to achieve geographic balance throughout Indiana and to include urban, suburban, and rural school corporations.
- (2) To address a documented need for new or expanded school intervention or career counseling programs, including considering the percentage of students within the school corporation who are designated as at-risk students. ~~under IC 21-3-1.8-1.1.~~
- (3) To promote innovative methods for initiating or expanding school intervention or career counseling programs.

- (4) To reward school corporations that propose school intervention or career counseling programs that demonstrate the greatest potential for replication and implementation in Indiana.
- (5) To lower school counselor/student ratios where the ratios are excessively high.

**SECTION 3. IC 20-10.1-31-6, AS ADDED BY P.L.237-2001, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]:** Sec. 6. Upon review of the applications received under section 5 of this chapter, the department may award grants to school corporations subject to available money and in accordance with the following priorities:

- (1) To the extent possible, to achieve geographic balance throughout Indiana and to include urban, suburban, and rural school corporations.
- (2) To address a documented need for new or expanded programs, including consideration of the percentage of students within the school corporation who are designated as at-risk students. ~~under IC 21-3-1.8-1.1.~~
- (3) To lower:
  - (A) student/school counselor ratios;
  - (B) student/social worker ratios; and
  - (C) student/school psychologist ratios;
 where the ratios are excessively high.

**SECTION 4. IC 20-11-5-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]:** Sec. 2. As used in this chapter, "eligible student" means:

- (1) a student who is:
  - (A) enrolled in a public high school as a senior;
  - (B) at risk of withdrawing from school before graduation; and
  - (C) at risk under the criteria for determining at-risk students ~~under IC 21-3-1.8-1.1; IC 21-3-1.6-1.1;~~ or
- (2) a student who is enrolled in the final year of a special education program.

**SECTION 5. IC 21-1-30-2, AS AMENDED BY P.L.291-2001, SECTION 90, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]:** Sec. 2. For purposes of computation under this chapter, the following shall be used:

- (1) Kindergarten pupils shall be counted as five-tenths (0.5). All other pupils shall be counted as one (1).
- (2) The number of pupils shall be the number of pupils used in determining ADM, as defined by IC 21-3-1.6, for the current year.
- (3) The staff cost amount for a school corporation is sixty-eight thousand four hundred forty-two dollars (\$68,442) for 2002 and sixty-nine thousand eight hundred eleven dollars (\$69,811) for 2003.
- (4) The guaranteed amount for a school corporation is the primetime allocation, before any penalty is assessed under this chapter, that the school corporation would have received under this chapter for the 1999 calendar year.
- (5) The at-risk index is the index determined under ~~IC 21-3-1.8-1.1; IC 21-3-1.6-1.1.~~
- (6) The following apply to determine whether amounts received under this chapter have been devoted to reducing class size in kindergarten through grade 3 as required by section 3(b) of this chapter:

- (A) Except as permitted under section 5.5 of this chapter, only a licensed teacher who is an actual classroom teacher in a regular instructional program is counted as a teacher.
- (B) If a school corporation is granted approval under section 5.5 of this chapter, the school corporation may include as one-third (1/3) of a teacher each classroom instructional aide who meets qualifications and performs duties prescribed by the Indiana state board of education.

**SECTION 6. IC 21-3-1.6-1.1, AS AMENDED BY SEA 357, SECTION 450, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]:** Sec. 1.1. As used in this chapter:

- (a) "School corporation" means any local public school corporation established under Indiana law.
- (b) "School year" means a year beginning July 1 and ending the next succeeding June 30.

(c) "State distribution" due a school corporation means the amount of state funds to be distributed to a school corporation in any calendar year under this chapter.

(d) "Average daily membership" or "ADM" of a school corporation means the number of eligible pupils enrolled in the school corporation or in a transferee corporation on a day to be fixed annually by the Indiana state board of education. Such day shall fall within the first thirty (30) days of the school term. If, however, extreme patterns of student in-migration, illness, natural disaster, or other unusual conditions in a particular school corporation's enrollment on the particular day thus fixed, cause the enrollment to be unrepresentative of the school corporation's enrollment throughout a school year, the Indiana state board of education may designate another day for determining the school corporation's enrollment. The Indiana state board of education shall monitor changes that occur after the fall count, in the number of students enrolled in programs for children with disabilities and shall, before December 2 of that same year, make an adjusted count of students enrolled in programs for children with disabilities. The superintendent of public instruction shall certify the adjusted count to the budget committee before February 5 of the following year. In determining the ADM, each kindergarten pupil shall be counted as one-half (1/2) pupil. Where a school corporation commences kindergarten in a school year, the ADM of the current and prior calendar years shall be adjusted to reflect the enrollment of the kindergarten pupils. In determining the ADM, each pupil enrolled in a public school and a nonpublic school is to be counted on a full-time equivalency basis as provided in section 1.2 of this chapter. "Current ADM" of a school corporation used in computing its state distribution in a calendar year means the ADM of the school year ending in the calendar year. "ADM of the previous year" or "ADM of the prior year" of a school corporation used in computing its state distribution in a calendar year means the ADM of the school corporation for the school year ending in the preceding calendar year.

(e) "Additional count" of a school corporation, or comparable language, means the aggregate of the additional counts of the school corporation for certain pupils as set out in section 3 of this chapter (repealed) and as determined at the times for calculating ADM. "Current additional count" means the additional count of the school corporation for the school year ending in the calendar year. "Prior year additional count" of a school corporation used in computing its state distribution in a calendar year means the additional count of the school corporation for the school year ending in the preceding calendar year.

(f) "Adjusted assessed valuation" of any school corporation used in computing state distribution for a calendar year means the assessed valuation in the school corporation, adjusted as provided in IC 6-1.1-34. The amount of the valuation shall also be adjusted downward by the department of local government finance to the extent it consists of real or personal property owned by a railroad or other corporation under the jurisdiction of a federal court under the federal bankruptcy laws (11 U.S.C. 101 et seq.) if as a result of the corporation being involved in a bankruptcy proceeding the corporation is delinquent in payment of its Indiana real and personal property taxes for the year to which the valuation applies. If the railroad or other corporation in some subsequent calendar year makes payment of the delinquent taxes, then the state superintendent of public instruction shall prescribe adjustments in the distributions of state funds pursuant to this chapter as are thereafter to become due to a school corporation affected by the delinquency as will ensure that the school corporation will not have been unjustly enriched under the provisions of P.L.382-1987(ss). The amount of the valuation shall also be adjusted downward by the department of local government finance to the extent it consists of real or personal property described in IC 6-1.1-17-0.5(b).

(g) "General fund" means a school corporation fund established under IC 21-2-11-2.

(h) "Teacher" means every person who is required as a condition of employment by a school corporation to hold a teacher's license issued or recognized by the state, except substitutes and any person paid entirely from federal funds.

(i) "Teacher ratio" of a school corporation used in computing state

distribution in any calendar year means the ratio assigned to the school corporation pursuant to section 2 of this chapter.

(j) "Eligible pupil" means a pupil enrolled in a school corporation if:

- (1) the school corporation has the responsibility to educate the pupil in its public schools without the payment of tuition;
- (2) subject to subdivision (5), the school corporation has the responsibility to pay transfer tuition under IC 20-8.1-6.1, because the pupil is transferred for education to another school corporation (the "transferee corporation");
- (3) the pupil is enrolled in a school corporation as a transfer student under IC 20-8.1-6.1-3 or entitled to be counted for ADM or additional count purposes as a resident of the school corporation when attending its schools under any other applicable law or regulation;
- (4) the state is responsible for the payment of transfer tuition to the school corporation for the pupil under IC 20-8.1-6.1; or
- (5) all of the following apply:
  - (A) The school corporation is a transferee corporation.
  - (B) The pupil does not qualify as a qualified pupil in the transferee corporation under subdivision (3) or (4).
  - (C) The transferee corporation's attendance area includes a state licensed private or public health care facility, child care facility, or foster family home where the pupil was placed:
    - (i) by or with the consent of the division of family and children;
    - (ii) by a court order;
    - (iii) by a child placing agency licensed by the division of family and children; or
    - (iv) by a parent or guardian under IC 20-8.1-6.1-5.

(k) "General fund budget" of a school corporation means the amount of the budget approved for a given year by the department of local government finance and used by the department of local government finance in certifying a school corporation's general fund tax levy and tax rate for the school corporation's general fund as provided for in IC 21-2-11.

(l) "At risk index" means the sum of:

- (1) the product of sixteen-hundredths (0.16) multiplied by the percentage of families in the school corporation with children who are less than eighteen (18) years of age and who have a family income below the federal income poverty level (as defined in IC 12-15-2-1);
- (2) the product of four-tenths (0.4) multiplied by the percentage of families in the school corporation with a single parent; and
- (3) the product of forty-four hundredths (0.44) multiplied by the percentage of the population in the school corporation who are at least twenty (20) years of age with less than a twelfth grade education.

The data to be used in making the calculations under this subsection must be the data from the 1990 federal decennial census.

SECTION 7. IC 21-3-1.7-6.7, AS AMENDED BY P.L.291-2001, SECTION 93, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 6.7. (a) For each school corporation, the index used in subsection (b) is determined under the following STEPS:

STEP ONE: Determine the greater of zero (0) or the result of the following:

- (1) Multiply the school corporation's at risk index ~~determined under IC 21-3-1.8-1.1~~ by twenty-three hundredths (0.23) in 2002 and twenty-five hundredths (0.25) in 2003.
- (2) Divide the result under subdivision (1) by three thousand seven hundred thirty-six ten-thousandths (0.3736).
- (3) Subtract three hundred sixty-four ten-thousandths (0.0364) in 2002 and three hundred ninety-five ten-thousandths (0.0395) in 2003 from the result under subdivision (2).

STEP TWO: Determine the greater of zero (0) or the result of the following:

- (1) Multiply the percentage of the school corporation's

students who were eligible for free lunches in the school year ending in 2001 by twenty-three hundredths (0.23) in 2002 and twenty-five hundredths (0.25) in 2003.

(2) Divide the result under subdivision (1) by seven hundred twenty-three thousandths (0.723).

STEP THREE: Determine the greater of zero (0) or the result of the following:

(1) Multiply the percentage of the school corporation's students who were classified as limited English proficient in the school year ending in 2000 by twenty-three hundredths (0.23) in 2002 and twenty-five hundredths (0.25) in 2003.

(2) Divide the result under subdivision (1) by one thousand seven hundred fifteen ten-thousandths (0.1715).

STEP FOUR: Determine the result of:

(1) the sum of the results in STEPS ONE through THREE; divided by

(2) three (3).

STEP FIVE: Determine the result of one (1) plus the STEP FOUR result.

(b) A school corporation's target revenue per ADM for a calendar year is the result determined under STEP SIX of the following formula:

STEP ONE: Determine the result under clause (B) of the following formula:

(A) Determine the result of:

(i) four thousand four hundred forty dollars (\$4,440) in 2002 and four thousand five hundred sixty dollars (\$4,560) in 2003; multiplied by

(ii) the index determined for the school corporation under subsection (a).

(B) Multiply the clause (A) result by the school corporation's adjusted ADM for the current year.

STEP TWO: Divide the school corporation's previous year revenue by the school corporation's adjusted ADM for the previous year.

STEP THREE: Multiply the subsection (a) STEP FIVE result by the following:

(A) If the STEP TWO result is not more than:

(i) four thousand four hundred forty dollars (\$4,440) in 2002; and

(ii) four thousand five hundred sixty dollars (\$4,560) in 2003;

multiply by ninety dollars (\$90).

(B) If the STEP TWO result is:

(i) more than four thousand four hundred forty dollars (\$4,440) and not more than five thousand five hundred twenty-five dollars (\$5,525) in 2002; or

(ii) more than four thousand five hundred sixty dollars (\$4,560) and not more than five thousand eight hundred twenty-five dollars (\$5,825) in 2003;

multiply by the result under clause (C).

(C) Determine the result of:

(i) The STEP TWO result minus four thousand four hundred forty dollars (\$4,440) in 2002 and four thousand five hundred sixty dollars (\$4,560) in 2003.

(ii) Divide the item (i) result by one thousand eighty-five dollars (\$1,085) in 2002 and one thousand two hundred sixty-five dollars (\$1,265) in 2003.

(iii) Multiply the item (ii) result by forty dollars (\$40).

(iv) Subtract the item (iii) result from ninety dollars (\$90).

(D) If the STEP TWO result is more than:

(i) five thousand five hundred twenty-five dollars (\$5,525) in 2002; and

(ii) five thousand eight hundred twenty-five dollars (\$5,825) in 2003;

multiply by fifty dollars (\$50).

STEP FOUR: Add the STEP TWO result and the STEP THREE result.

STEP FIVE: Determine the greatest of the following:

(A) Multiply the STEP FOUR result by the school corporation's adjusted ADM for the current year.

(B) Multiply the school corporation's previous year revenue

by one and two-hundredths (1.02).

(C) The STEP ONE amount.

STEP SIX: Divide the STEP FIVE amount by the school corporation's adjusted ADM for the current year.

SECTION 8. IC 21-3-1.7-9, AS AMENDED BY SEA 216-2002, SECTION 96, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 9. (a) Subject to the amount appropriated by the general assembly for tuition support, the amount that a school corporation is entitled to receive in tuition support for a year is the amount determined in section 8 of this chapter.

(b) If the total amount to be distributed as tuition support under this chapter, for enrollment adjustment grants under section 9.5 of this chapter, for at-risk programs under section 9.7 of this chapter, for academic honors diploma awards under section 9.8 of this chapter, and for primetime distributions under IC 21-1-30, for special education grants under IC 21-3-2.1, and for vocational education grants under IC 21-3-12 for a particular year, exceeds:

(1) three billion three hundred sixty-three million four hundred thousand dollars (\$3,363,400,000) in 2001;

(2) three billion four hundred seventy-one million one hundred thousand dollars (\$3,471,100,000) in 2002; and

(3) three billion five hundred ninety-four million two hundred thousand dollars (\$3,594,200,000) in 2003;

the amount to be distributed for tuition support under this chapter to each school corporation during each of the last six (6) months of the year shall be reduced by the same dollar amount per ADM (as adjusted by IC 21-3-1.6-1.1) so that the total reductions equal the amount of the excess.

SECTION 9. IC 21-3-2.1 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]:

#### **Chapter 2.1. Special Education Grants**

**Sec. 1. The definitions in IC 21-3-1.6 apply throughout this chapter.**

**Sec. 2. In addition to the amount a school corporation is entitled to receive in tuition support, each school corporation is entitled to receive a grant for special education programs. The amount of the special education grant is based on the count of eligible pupils enrolled in special education programs on December 1 of the preceding year in the corporation or in a transferee corporation.**

**Sec. 3. (a) In its nonduplicated count of pupils in programs for severe disabilities, a school corporation shall count each pupil served in any one (1) of the following programs:**

**(1) Autism.**

**(2) Dual sensory impairment.**

**(3) Emotional handicap, full time.**

**(4) Hearing impairment.**

**(5) Severe mental handicap.**

**(6) Multiple handicap.**

**(7) Orthopedic impairment.**

**(8) Traumatic brain injury.**

**(9) Visual impairment.**

**(b) A pupil may be counted in only one (1) of the programs in this section even if the pupil is served in more than one (1) program.**

**(c) A pupil may not be included in the nonduplicated count in this section and in the nonduplicated count of pupils in programs for mild or moderate disabilities in section 4 of this chapter.**

**Sec. 4. (a) In its nonduplicated count of pupils in programs for mild and moderate disabilities, a school corporation shall count each pupil served in any one (1) of the following programs:**

**(1) Emotional handicap, all other.**

**(2) Learning disability.**

**(3) Mild mental handicap.**

**(4) Moderate mental handicap.**

**(5) Other health impairment.**

**(b) A pupil may be counted in only one (1) of the programs in this section even if the pupil is served in more than one (1) program.**

**(c) A pupil may not be included in the nonduplicated count in this section and in the nonduplicated count of pupils in programs**

for severe disabilities in section 3 of this chapter.

Sec. 5. In its duplicated count of pupils in programs for communication disorders, a school corporation shall count each pupil served, even if the pupil is served in another special education program.

Sec. 6. (a) In its cumulative count of pupils in homebound programs, a school corporation shall count each pupil who received homebound instruction up to and including December 1 of the current year plus each pupil who received homebound instruction after December 1 of the prior school year.

(b) A school corporation may include a pupil in its cumulative count of pupils in homebound programs even if the pupil also is included in its nonduplicated count of pupils in programs for severe disabilities, its nonduplicated count of pupils in programs for mild and moderate disabilities, or its duplicated count of pupils in programs for communication disorders.

Sec. 7. The amount of the grant that a school corporation is entitled to receive for special education programs is equal to:

(1) the nonduplicated count of pupils in programs for severe disabilities multiplied by:

(A) eight thousand forty-five dollars (\$8,045) in 2002; and

(B) eight thousand two hundred forty-six dollars (\$8,246) in 2003; plus

(2) the nonduplicated count of pupils in programs of mild and moderate disabilities multiplied by:

(A) two thousand one hundred eighty-three dollars (\$2,183) in 2002; and

(B) two thousand two hundred thirty-eight dollars (\$2,238) in 2003; plus

(3) the duplicated count of pupils in programs for communication disorders multiplied by:

(A) five hundred eighteen dollars (\$518) in 2002; and

(B) five hundred thirty-one dollars (\$531) in 2003; plus

(4) the cumulative count of pupils in homebound programs multiplied by:

(A) five hundred eighteen dollars (\$518) in 2002; and

(B) five hundred thirty-one dollars (\$531) in 2003.

Sec. 8. Participation in a program is not required to the extent of full-time equivalency. The Indiana state board of education shall adopt rules further defining the nature and extent of participation and the type of program qualifying for approval. No count shall be made on any program that has not been approved by the Indiana state board of education or where a pupil is not participating to the extent required by any rule of the board.

Sec. 9. If a new special education program is created by rule of the Indiana state board of education or by the United States Department of Education, the Indiana state board of education shall determine whether the program shall be included in the list of programs for severe disabilities or in the list of programs for mild and moderate disabilities.

Sec. 10. This chapter expires January 1, 2004."

Delete pages 2 through 3.

Page 4, delete lines 1 through 32.

Page 5, between lines 40 and 41, begin a new line block indented and insert:

"(14) A special education teacher, appointed by the governor."

Page 6, between lines 21 and 22, begin a new paragraph and insert:

"SECTION 12. [EFFECTIVE UPON PASSAGE] Notwithstanding IC 21-3-1.8-6 and IC 21-3-10-11:

(1) a school corporation is entitled to receive transfer tuition under IC 20-8.1, grants under IC 20-10.1-28, grants under IC 20-10.1-31, and distributions under IC 21; and

(2) a person shall be treated as an eligible student under IC 20-11-5-2;

after December 31, 2002, and before the effective date of this SECTION as if IC 21-3-1.8-1.1 (at-risk index) and IC 21-3-10 (special education grants) had not expired on January 1, 2002. A distribution of money or a determination that a person is an

eligible student in conformity with this SECTION is ratified and validated to the same extent as if this SECTION had been in effect at the time the distribution or determination was made."

Renumber all SECTIONS consecutively.

(Reference is to ESB 290 as reprinted February 26, 2002.)

LUBBERS

SIPES

Senate Conferees

PORTER

BEHNING

House Conferees

The conference committee report was filed and read a first time.

#### CONFERENCE COMMITTEE REPORT

ESB 217-1; filed March 14, 2002, at 1:19 p.m.

Mr. Speaker: Your Conference Committee appointed to confer with a like committee from the Senate upon Engrossed House Amendments to Engrossed Senate Bill 217 respectfully reports that said two committee have conferred and agreed as follows to wit:

that the Senate recede from its dissent from all House amendments and that the Senate now concur in all House amendments to the bill and that the bill be further amended as follows:

Delete the title and insert the following:

A BILL FOR AN ACT to amend the Indiana Code concerning human services.

Page 1, line 1, delete "IC 2-5-27" and insert "IC 2-5-27.2".

Page 1, line 4, delete "27" and insert "27.2".

Page 2, line 4, delete "One (1) member" and insert "Three (3) members".

Page 2, delete lines 16 and 17.

Page 3, delete line 28.

Page 5, delete lines 3 through 8.

Page 5, line 9, delete "(3)" and insert "(2)".

Page 5, line 12, delete "(4)" and insert "(3)".

Page 5, line 21, delete "(5)" and insert "(4)".

Page 5, line 24, delete "(6)" and insert "(5)".

Page 5, line 27, delete "(7)" and insert "(6)".

Page 6, line 21, delete "IC 2-5-27-3" and insert "IC 2-5-27.2-3".

Page 6, delete lines 28 through 42.

Page 7, delete lines 1 through 26.

Page 7, delete lines 33 through 38.

Renumber all SECTIONS consecutively

(Reference is to ESB 217 as printed February 22, 2002.)

NUGENT

LEWIS

Senate Conferees

LYTLE

STEELE

House Conferees

The conference committee report was filed and read a first time.

#### CONFERENCE COMMITTEE REPORT

ESB 246-1; filed March 14, 2002, at 1:20 p.m.

Mr. Speaker: Your Conference Committee appointed to confer with a like committee from the Senate upon Engrossed House Amendments to Engrossed Senate Bill 246 respectfully reports that said two committee have conferred and agreed as follows to wit:

that the Senate recede from its dissent from all House amendments and that the Senate now concur in all House amendments to the bill and that the bill be further amended as follows:

Page 1, between the enacting clause and line 1, begin a new paragraph and insert:

"SECTION 1. IC 5-2-5-13, AS AMENDED BY P.L.272-2001, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 13. (a) The department may not charge a fee for responding to a request for the release of a limited criminal history record if the request is made by a nonprofit organization: ~~that~~

(1) ~~that~~ has been in existence for at least ten (10) years; and

(2) ~~either that:~~

(A) has a primary purpose of providing an individual relationship for a child with an adult volunteer if the request is made as part of a background investigation of a prospective adult volunteer for the organization; ~~or~~

(B) is a home health agency licensed under IC 16-27-1;

(C) is a community mental retardation and other

developmental disabilities center (as defined in IC 12-7-2-39); or  
(D) is a supervised group living facility licensed under IC 12-28-5.

(b) The department may not charge a fee for responding to a request for the release of a limited criminal history record made by the division of family and children or a county office of family and children if the request is made as part of a background investigation of an applicant for a license under IC 12-17.2 or IC 12-17.4.

(c) The department may not charge a fee for responding to a request for the release of a limited criminal history if the request is made by a school corporation, special education cooperative, or non-public school (as defined in IC 20-10.1-1-3) as part of a background investigation of an employee or adult volunteer for the school corporation, special education cooperative, or non-public school."

Page 2, delete lines 16 through 42.

Page 3, delete lines 1 through 32.

Page 5, line 30, delete "IC 12-17.2-4-35;" and insert "**section 35 of this chapter;**".

Page 5, line 38, delete "IC 12-17.2-4-35;" and insert "**section 35 of this chapter;**".

Page 6, line 17, delete "IC 12-17.2-4-35." and insert "**section 35 of this chapter.**".

Page 6, line 27, delete "IC 12-17.2-4-35;" and insert "**this chapter;**".

Page 6, line 29, delete "IC 12-17.2-5-35." and insert "**IC 12-17.2-5.**".

Page 7, line 5, delete "IC 12-17.2-4-35." and insert "**section 35 of this chapter.**".

Page 7, line 12, delete "applicant" and insert "**licensee**".

Page 7, line 15, delete "IC 12-17.2-4-35;" and insert "**this chapter;**".

Page 7, line 17, delete "IC 12-17.2-5-35." and insert "**IC 12-17.2-5.**".

Page 7, line 40, delete "IC 12-17.2-5-35;" and insert "**section 35 of this chapter;**".

Page 8, line 6, delete "IC 12-17.2-5-35;" and insert "**section 35 of this chapter;**".

Page 8, delete lines 12 through 16, begin a new line block indented and insert:

"(1) Conduct a criminal history check of the applicant's:

(A) employees;

(B) volunteers; and

(C) ~~all~~ household members who are:

(i) at least eighteen (18) years of age; or

(ii) **less than eighteen (18) years of age but have previously been waived from juvenile court to adult court.**"

Page 8, line 32, delete "IC 12-17.2-5-35." and insert "**section 35 of this chapter.**".

Page 8, line 40, delete "IC 12-17.2-4-35;" and insert "**IC 12-17.2-4;**".

Page 8, line 42, delete "IC 12-17.2-5-35." and insert "**this chapter.**".

Page 9, line 26, delete "IC 12-17.2-5-35." and insert "**section 35 of this chapter.**".

Page 9, line 31, delete "applicant" and insert "**licensee**".

Page 9, line 34, delete "IC 12-17.2-4-35;" and insert "**IC 12-17.2-4;**".

Page 9, line 36, delete "IC 12-17.2-5-35." and insert "**this chapter.**".

Page 11, delete lines 35 through 42.

Delete page 12.

Renumber all SECTIONS consecutively.

(Reference is to ESB 246 as reprinted February 26, 2002.)

C. LAWSON

CRAWFORD

BREAUX

BUDAK

Senate Conferees

House Conferees

The conference committee report was filed and read a first time.

## RULES SUSPENSION

### COMMITTEE REPORT

Mr. Speaker: Your Committee on Rules and Legislative Procedures has had under consideration House Rules 160.2 and 162.2 and recommends that Rule 160.2 be suspended so that the following conference committee reports may be eligible for consideration after March 1 and that House Rule 162.2 be suspended so that the following conference committee reports may be laid over on the members' desks for 4 hours, all so that the following conference committee reports may be eligible to be placed before the House for action: Engrossed House Bills 1138-1, 1191-1, 1214-1, 1232-1, 1252-1, and 1346-1 and Engrossed Senate Bills 19-1, 25-1, 29-1, 252-1, 318-1, 360-1, 462-1, and 506-1.

MOSES, Chair

Report adopted.

### HOUSE MOTION

Mr. Speaker: I move that House Rule 160.2 be suspended so that the following conference committee reports may be eligible for consideration after March 1 and that House Rule 162.2 be suspended so that the following conference committee reports may be laid over on the members' desks for 4 hours, all so that the following conference committee reports may be eligible to be placed before the House for action: Engrossed House Bills 1138-1, 1191-1, 1214-1, 1232-1, 1252-1, and 1346-1 and Engrossed Senate Bills 19-1, 25-1, 29-1, 252-1, 318-1, 360-1, 462-1, and 506-1.

MOSES

Motion prevailed.

## CONFERENCE COMMITTEE REPORTS

### Engrossed Senate Bill 100-1

The conference committee report was reread. Roll Call 381: yeas 86, nays 1. Report adopted.

### Engrossed Senate Bill 222-1

The conference committee report was reread. Roll Call 382: yeas 85, nays 0. Report adopted.

The House recessed until the fall of the gavel.

## RECESS

The House reconvened at 3:00 p.m. with the Speaker in the Chair.

## CONFERENCE COMMITTEE REPORTS

### CONFERENCE COMMITTEE REPORT

EHB 1101-1; filed March 14, 2002, at 2:59 p.m.

Mr. Speaker: Your Conference Committee appointed to confer with a like committee from the Senate upon Engrossed Senate Amendments to Engrossed House Bill 1101 respectfully reports that said two committee have conferred and agreed as follows to wit:

that the House recede from its dissent from all Senate amendments and that the House now concur in all Senate amendments to the bill and that the bill be further amended as follows:

Replace the effective dates in SECTIONS 6 through 7 with "[EFFECTIVE JANUARY 1, 2003]".

Replace the effective date in SECTION 10 with "[EFFECTIVE JANUARY 1, 2003]".

Page 5, delete lines 20 through 42.

Page 6, delete lines 1 through 10.

Page 7, line 2, after "FOLLOWS" insert "[EFFECTIVE JANUARY 1, 2003]".

Page 10, delete lines 24 through 42.

Delete page 11.

Page 12, delete lines 1 through 18.

Page 13, line 19, after "service" insert ",".

Page 13, line 22, delete ",".

Page 20, delete line 42.

Page 21, delete lines 1 through 26.

Page 22, delete lines 9 through 42.

Page 23, delete lines 1 through 29.

Page 23, line 31, after "FOLLOWS" delete "[JULY 1, 2002]".

Page 24, delete lines 5 through 42.

Page 25, delete lines 1 through 3.

Page 26, between lines 16 and 17, begin a new line double block indented and insert:

**"(C) Provisional ballots in the number considered necessary by the county election board."**

Page 26, between lines 18 and 19, begin a new paragraph and insert:

"SECTION 42. IC 3-11-3-12 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2003]: Sec. 12. (a) The local ballots delivered to the inspector of each precinct under section 11 of this chapter shall be placed in a strong and stout paper envelope or bag, which shall then be tightly closed, fastened securely, and attested by the initials of the circuit court clerk or the clerk's designee in the presence of the inspector or the inspector's representative. The inspector shall sign a receipt for the ballots. The ballot packages may not be opened until:

- (1) they have been delivered to the precinct election board to which they are directed; and
- (2) the precinct election board is fully organized and ready for the reception of votes.

**(b) The local provisional ballots delivered to the inspector of each precinct under section 11 of this chapter shall be placed in a strong and stout paper envelope or bag, separate from the bag described in subsection (a), which shall then be tightly closed, fastened securely, and attested by the initials of the circuit court clerk or the clerk's designee in the presence of the inspector or the inspector's representative. The inspector shall sign a receipt for the provisional ballots. The provisional ballot packages may not be opened until:**

- (1) they have been delivered to the precinct election board to which they are directed; and**
- (2) the precinct election board is fully organized and ready to receive votes."**

Page 28, line 1, delete "chapter" and insert "article".

Page 32, line 1, delete "an" and insert "a voter described in subsection (g)".

Page 32, line 2, delete "absent uniformed services voter".

Page 34, line 10, delete "IC 3-6-5 or".

Page 35, delete lines 18 through 35, begin a new paragraph and insert:

"SECTION 57. IC 3-11-7-17, AS AMENDED BY P.L.176-1999, SECTION 72, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 17. (a) The election division (or a competent person designated by the commission to act on behalf of the election division) may periodically examine a ballot card voting system that the commission has previously approved to determine if the system is still in compliance with all statutory requirements.

(b) If the election division or competent person finds that a system examined under subsection (a) fails to meet all requirements and standards, and the commission concurs in these findings, the commission may, by unanimous vote of all of the members of the commission, rescind the commission's approval of the vendor.

(c) If the commission's approval is rescinded under subsection (b), the commission may, by unanimous vote of all of the members of the commission:

- (1) recommend that use of the system be discontinued; and
- (2) prohibit the system from being leased, marketed, or sold for use in Indiana in an election conducted under this title.

(d) This subsection applies to a ballot card voting system approved for its initial certification before:

- (1) March 25, 1992; or
- (2) a revision of IC 3-11-15 enacted after July 1, 1997, that imposes additional standards that did not apply to the voting system at the time of the system's initial certification.

The commission may, by unanimous consent of its entire membership, require the voting system to be tested by an independent authority designated by the commission. The vendor shall pay any testing expenses under this subsection.

(e) If the independent testing authority determines that a voting system tested under subsection (d) does not comply with this article, the commission may, by unanimous consent of its entire membership, prohibit the system from being leased, marketed, or sold for use in Indiana in an election conducted under this title.

(f) This subsection applies to a ballot card voting system that:

- (1) the commission has recommended discontinuing under subsection (e); or
- (2) an independent testing authority has determined under subsection (e) to be out of compliance with this article:

Notwithstanding the recommendation under subsection (e) or the determination under subsection (e), a ballot card voting system may be used in a county until the circuit court clerk or the county election board of a county that uses the ballot card voting system files a request with the election division for an investigation of the ballot card voting system and the commission, by unanimous consent of its entire membership, makes a finding under subsection (g):

(g) The commission finding described under subsection (f) must satisfy both of the following:

- (1) Be based on evidence of the ballot card voting system's use by a county election board;

- (2) Contain the following determinations:

(A) The use of the voting system has resulted in a clear pattern of unreliable or erroneous casting or tabulation of ballots;

(B) The continued use of the voting system would undermine the public confidence in the accuracy and integrity of Indiana's electoral system.

SECTION 58. IC 3-11-7.5-26, AS AMENDED BY P.L.176-1999, SECTION 78, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 26. (a) The election division (or a competent person designated by the commission to act on behalf of the election division) may periodically examine an electronic voting system that the commission has previously approved to determine if that system is still in compliance with all statutory requirements.

(b) If the election division or competent person finds that a system examined under subsection (a) fails to meet all requirements and standards, and the commission concurs in these findings, the commission may, by unanimous vote of all of the members of the commission, rescind the commission's approval of the vendor.

(c) If the commission's approval is rescinded under subsection (b), the commission may by unanimous vote of all of the members of the commission:

- (1) recommend that use of the system be discontinued; and
- (2) prohibit the system from being leased, marketed, or sold for use in Indiana in an election conducted under this title.

(d) This subsection applies to an electronic voting system approved for its initial certification before:

- (1) March 25, 1992; or
- (2) a revision of IC 3-11-15 enacted after July 1, 1997, that imposes additional standards that did not apply to the voting system at the time of the system's initial certification.

The commission may, by unanimous consent of its entire membership, require the voting system to be tested by an independent authority designated by the commission. The vendor shall pay any testing expenses under this subsection.

(e) If the independent testing authority determines that a voting system tested under subsection (d) does not comply with this article, the commission may, by unanimous consent of its entire membership, prohibit the system from being leased, marketed, or sold for use in Indiana in an election conducted under this title.

(f) This subsection applies to an electronic voting system that:

- (1) the commission has recommended discontinuing under subsection (e); or
- (2) an independent testing authority has determined under subsection (e) to be out of compliance with this article:

Notwithstanding the recommendation under subsection (e) or the determination under subsection (e), an electronic voting system may

be used in a county until the circuit court clerk or the county election board of a county that uses the electronic voting system files a request with the election division for an investigation of the electronic voting system and the commission, by unanimous consent of its entire membership, makes a finding under subsection (g):

(g) The commission finding described under subsection (f) must satisfy both of the following:

(1) Be based on evidence of the electronic voting system's use by a county election board;

(2) Contain the following determinations:

(A) The use of the voting system has resulted in a clear pattern of unreliable or erroneous casting or tabulation of ballots;

(B) The continued use of the voting system would undermine the public confidence in the accuracy and integrity of Indiana's electoral system."

Page 41, line 29, delete "IC 3-6-5 or".

Page 44, between lines 28 and 29, begin a new paragraph and insert:

"SECTION 75. IC 3-11-15-13.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: **Sec. 13.5. (a) This section does not apply to the purchase, lease, or lease-purchase of additional or replacement components of a voting system in use in a county before January 1, 2005.**

(b) The commission shall determine whether a voting system provides a practical and effective means for voters with disabilities to cast ballots in private.

(c) If the commission determines that any voting system meets the criteria described in subsection (b), a county may not purchase, lease, or lease-purchase any other voting system that does not meet the criteria described in subsection (b).

SECTION 76. IC 3-11-15-13.7 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2003]: **Sec. 13.7. (a) If a voting system has any of the following functions, the functions must be operable in the voting system's equipment actually in use in a precinct:**

(1) The voting system can demonstrate to the voter that the voter has cast votes for too many candidates for an office.

(2) The voting system can demonstrate to the voter that the voter has cast votes both in favor of and in opposition to a public question.

(b) Except as provided in subsection (c), a voting system described in subsection (a) must be able to inform the voter how the voter may correct errors on the voter's ballot.

(c) A voting system is not required to provide the information required by subsection (b) if the information is provided in writing conspicuously on or near the components of the voting system where the voter casts the voter's votes."

Page 49, between lines 27 and 28, begin a new paragraph and insert:

"**Sec. 6. (a) All provisional ballots other than those described in section 5 of this chapter shall be prepared and printed under the direction of each county election board.**

(b) After completing the estimate required by section 4 of this chapter, the county election board shall immediately prepare the ballots and have the ballots printed.

(c) Ballots prepared by the county election board under this section must provide space for the voter to cast a write-in ballot.

(d) The provisional ballots that are prepared and printed under this section shall be delivered to the circuit court clerk not later than:

(1) forty-five (45) days before a general, primary, or municipal election; or

(2) thirty-two (32) days before a special election."

Page 49, line 28, delete "6" and insert "7".

Page 49, line 31, delete "7" and insert "8".

Page 49, line 34, delete "8" and insert "9".

Page 53, between lines 22 and 23, begin a new paragraph and insert:

"**Sec. 6. The valid provisional ballots printed by the election division shall be counted before counting the valid provisional ballots printed by the county election board.**"

Page 53, line 23, delete "6" and insert "7".

Page 53, line 25, delete "7" and insert "8".

Page 53, line 32, delete "8" and insert "9".

Page 53, line 37, delete "9" and insert "10".

Page 53, line 38, delete "8" and insert "9".

Page 53, line 40, delete "10" and insert "11".

Page 53, line 42, delete "11" and insert "12".

Page 54, line 4, delete "12" and insert "13".

Page 54, line 7, delete "13" and insert "14".

Page 54, line 12, delete "7" and insert "8".

Page 54, line 13, delete "14" and insert "15".

Page 54, line 26, delete "15" and insert "16".

Page 54, line 30, delete "16" and insert "17".

Page 54, line 36, delete "17" and insert "18".

Page 54, line 37, delete "15" and insert "16".

Page 54, line 40, delete "18" and insert "19".

Page 55, line 17, delete "19" and insert "20".

Page 55, line 26, delete "20" and insert "21".

Page 55, line 27, delete "19" and insert "20".

Page 55, line 28, delete "21" and insert "22".

Page 55, line 31, delete "22" and insert "23".

Page 55, line 32, delete "21" and insert "22".

Page 55, line 38, delete "23" and insert "24".

Page 55, line 41, delete "24" and insert "25".

Page 56, line 4, delete "25" and insert "26".

Page 56, line 8, delete "26" and insert "27".

Page 56, line 16, delete "27" and insert "28".

Page 56, line 20, delete "28" and insert "29".

Page 57, delete lines 17 through 42.

Delete page 58.

Page 59, delete lines 1 through 22.

Page 60, delete lines 3 through 25.

Page 61, delete lines 11 through 42.

Delete pages 62 through 73.

Page 74, delete lines 1 through 35.

Page 74, delete line 41.

Renumber all SECTIONS consecutively.

(Reference is to EHB 1101 as reprinted February 27, 2002.)

WEINZAPFEL

LANDSKE

RICHARDSON

BREAUX

House Conferees

Senate Conferees

The conference committee report was filed and read a first time.

#### CONFERENCE COMMITTEE REPORT

EHB 1329-1; filed March 14, 2002, at 3:00 p.m.

Mr. Speaker: Your Conference Committee appointed to confer with a like committee from the Senate upon Engrossed Senate Amendments to Engrossed House Bill 1329 respectfully reports that said two committee have conferred and agreed as follows to wit:

that the House recede from its dissent from all Senate amendments and that the House now concur in all Senate amendments to the bill and that the bill be further amended as follows:

Page 3, delete lines 28 through 42.

Delete pages 4 through 7.

Page 8, delete lines 1 through 36.

Page 9, delete lines 7 through 42.

Page 10, delete lines 1 through 28.

Page 10, delete lines 34 through 42.

Page 11, delete lines 1 through 24.

Page 11, delete lines 37 through 42.

Delete pages 12 through 13.

Page 14, delete lines 1 through 21.

Page 14, line 23, delete "JANUARY 1, 2003" and insert "**UPON PASSAGE**".

Page 14, line 23, after "Sec. 11." insert "**(a) If an applicant is operating pursuant to a continuation of an existing permit pending determination of an application for a new or renewed permit under IC 13-15-3-6, the applicant may proceed under this**



section after notifying the commissioner in writing of its intent to do so.

(b)".

Page 15, line 12, strike "require that the department use the permit".

Page 15, line 13, strike "application fee,"

Page 15, line 13, delete "the permit annual fee under IC 13-18-20,".

Page 15, line 14, strike "and any additional money needed to".

Page 15, strike lines 21 through 23.

Page 15, delete lines 24 through 42, begin a new paragraph and insert:

"SECTION 8. IC 13-15-4-14 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 14. **Except for applicants proceeding under section 11(a) of this chapter**, an applicant may not proceed under any of the options described in ~~section 11~~ **section 11(b)** of this chapter if construction or operation of the equipment or facility described in the permit application has already begun, unless construction or operation before obtaining the permit is authorized by a board rule or state statute.

SECTION 9. IC 13-15-4-15 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 15. (a) If an applicant chooses to proceed under ~~section 11(3)~~ **section 11(b)(3)** of this chapter, the department **and the applicant** shall **jointly**:

(1) select a consultant that has the appropriate background to review the applicant's application; and

(2) authorize the consultant to begin work;

not later than fifteen (15) working days after the department receives notice that the applicant has chosen to proceed under ~~section 11(3)~~ **section 11(b)(3)** of this chapter.

(b) The commissioner may:

(1) consult with the applicant regarding the advisability of proceeding under this section; and

(2) document the communications.

SECTION 10. IC 13-15-4-16 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 16. (a) If an applicant chooses to proceed under ~~section 11(2) or 11(3)~~ **section 11(b)(2) or 11(b)(3)** of this chapter, the applicant or a consultant shall prepare and submit to the commissioner the draft permit and any required supporting technical justification for the permit not later than thirty-five (35) working days after:

(1) the applicant has notified the commissioner that the applicant has chosen to proceed under ~~section 11(2)~~ **section 11(b)(2)** of this chapter; or

(2) the department ~~has and the applicant have~~ authorized a consultant to begin work under ~~section 11(3)~~ **section 11(b)(3)** of this chapter.

(b) Subject to subsection (c), the commissioner shall:

(1) approve, with or without revision; or

(2) deny;

the draft permit not later than twenty-five (25) working days after receiving the draft permit.

(c) If notice of opportunity for public comment or public hearing is required under applicable law before a permit decision can be issued, the commissioner shall comply with all public participation requirements and:

(1) approve, with or without revision; or

(2) deny;

the draft permit not later than fifty-five (55) working days after receipt of the draft permit.

(d) If the commissioner denies the draft permit, the commissioner shall specify the reasons for the denial.

(e) If an applicant has elected to have a draft permit prepared under ~~section 11(3)~~ **section 11(b)(3)** of this chapter and:

(1) the consultant fails to submit a draft permit and supporting technical justification to the commissioner; or

(2) the commissioner fails to approve or deny the draft permit; within the applicable time specified under subsection (a), (b), or (c), the department shall refund the applicant's permit application fee not later than twenty-five (25) working days after expiration of the applicable period.

(f) The commissioner and the applicant may mutually agree to extend the deadlines in this section.

SECTION 11. IC 13-15-4-19 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 19. **Before July 15 of each year, the commissioner shall provide to the environmental quality service council a list, current through July 1 of the year, of National Pollutant Discharge Elimination System (NPDES) permits that have been administratively extended that includes for each permit:**

**(1) the number of months that the permit has been administratively extended;**

**(2) the number of months that the department has extended a period under section 8 of this chapter or suspended processing of a permit application under section 10 of this chapter;**

**(3) the type of permit according to the types identified in IC 13-18-20-2 through IC 13-18-20-11; and**

**(4) the dates when public notice of a draft permit was given."**

Page 16, delete lines 1 through 17.

Page 17, delete lines 10 through 42.

Delete pages 18 through 22.

Page 23, delete lines 1 through 11.

Page 23, delete lines 23 through 42.

Delete pages 24 through 36.

Page 37, delete lines 1 through 18.

Page 41, delete lines 21 through 42.

Page 42, delete lines 1 through 26.

Delete pages 44 through 67.

Page 68, delete lines 1 through 26, begin a new paragraph and insert:

"SECTION 27. IC 13-27.5-1-2, AS AMENDED BY P.L.248-2001, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 2. (a) The board consists of thirteen (13) members.

(b) The commissioner and the president of the Indiana economic development council established under IC 4-3-14 shall serve as ex officio nonvoting members of the board. The commissioner or the president may in writing designate a technical representative to serve as a nonvoting member of the board when the commissioner or the president is absent from a meeting of the board.

(c) The governor shall appoint eleven (11) members of the board as follows:

~~(1) Two (2) representatives~~ **One (1) representative** of public or private universities in Indiana. ~~one (1) of whom must have expertise in occupational health and the workplace environment.~~

~~(2) One (1) representative of private universities in Indiana.~~

~~(3) Three (3) representatives of manufacturers, including one (1) representative of small manufacturers.~~

~~(4) One (1) representative of a statewide environmental organization.~~

~~(5) One (1) representative of organized labor.~~

~~(6) One (1) representative of the public.~~

~~(7) One (1) representative of county government.~~

~~(8) One (1) representative of municipal government.~~

~~(9) One (1) representative who must have expertise in occupational health and the workplace environment.~~

(d) To be appointed as a member of the board under subsection (c), an individual must demonstrate a knowledge of policy or of technical matters concerning multimedia clean manufacturing.

~~(e) Neither~~ **An** individual appointed to the board under subsection (c)(1) **or (c)(2)** may **not** represent a university that is selected to establish the Indiana clean manufacturing technology and safe materials institute under ~~IC 13-27.5-3: IC 13-27.5-2."~~

Page 69, delete lines 17 through 42, begin a new paragraph and insert:

"SECTION 31. THE FOLLOWING ARE REPEALED [EFFECTIVE UPON PASSAGE]: IC 13-15-4-12; IC 13-15-4-13."

Page 70, delete lines 1 through 25.

Renumber all SECTIONS consecutively.  
(Reference is to EHB 1329 as reprinted February 22, 2002.)

WEINZAPFEL	GARD
THOMPSON	BRODEN
House Conferees	Senate Conferees

The conference committee report was filed and read a first time.

## CONFERENCE COMMITTEE REPORTS

### Engrossed Senate Bill 462-1

The conference committee report was reread. Roll Call 383: yeas 97, nays 0. Report adopted.

### Engrossed House Bill 1138-1

The conference committee report was reread. Representative Kuzman was excused from voting. Roll Call 384: yeas 96, nays 0. Report adopted.

### Engrossed Senate Bill 367-1

The conference committee report was reread. Roll Call 385: yeas 97, nays 0. Report adopted.

### Engrossed House Bill 1214-1

The conference committee report was reread. Roll Call 386: yeas 96, nays 1. Report adopted.

### Engrossed House Bill 1232-1

The conference committee report was reread. Roll Call 387: yeas 96, nays 1. Report adopted.

### Engrossed House Bill 1252-1

The conference committee report was reread. Roll Call 388: yeas 97, nays 0. Report adopted.

### Engrossed House Bill 1346-1

The conference committee report was reread. Roll Call 389: yeas 97, nays 0. Report adopted.

### Engrossed Senate Bill 488-1

The conference committee report was reread. Roll Call 390: yeas 97, nays 0. Report adopted.

### Engrossed House Joint Resolution 2-1

The conference committee report was reread. Roll Call 391: yeas 87, nays 0. Report adopted.

### Engrossed Senate Bill 25-1

The conference committee report was reread. Roll Call 392: yeas 90, nays 0. Report adopted.

### Engrossed Senate Bill 29-1

The conference committee report was reread. Representative Gregg was excused from voting. Roll Call 393: yeas 74, nays 18. Report adopted.

## MOTIONS TO CONCUR IN SENATE AMENDMENTS

### HOUSE MOTION

Mr. Speaker: I move that the House reconsider its actions whereby it dissented from the Senate amendments to Engrossed House Bill 1133 and that the House now concur in the Senate amendments to said bill.

FRENZ

Roll Call 394: yeas 89, nays 0. Motion prevailed.

### HOUSE MOTION

Mr. Speaker: I move that the House reconsider its actions whereby it dissented from the Senate amendments to Engrossed House

Bill 1065 and that the House now concur in the Senate amendments to said bill.

TINCHER

Representatives Buell, Hoffman, Kersey, and Klinker were excused from voting. Roll Call 395: yeas 83, nays 1. Motion prevailed.

## ACTION ON GUBERNATORIAL VETOES

### House Enrolled Act 1866

#### MESSAGE FROM THE GOVERNOR

Mr. Speaker and Members of the House: House Enrolled Act 1866 mandates several changes to the Medicaid case mix system used for reimbursing nursing home providers in the Medicaid program. Specifically, the Act changes the manner in which median costs are determined, and prohibits Medicaid from reducing nursing home reimbursement without statutory authority. This legislation has a fiscal impact estimated at well over ten million dollars per year.

This is unacceptable. Given the state's current financial situation, we must make significant efforts to control Medicaid costs, not increase them exponentially.

I hereby veto House Enrolled Act 1866 and return it to the House of Representatives for further action.

FRANK O'BANNON  
Governor

The Speaker handed down House Enrolled Act 1866, passed by the First Regular Session of the 112th General Assembly.

AN ACT to amend the Indiana Code concerning Medicaid.

The merits of House Enrolled Act 1866 and the governor's veto were debated. The question was, Shall House Enrolled Act 1866 pass, the Governor's veto notwithstanding?

Roll Call 396: yeas 1, nays 85. The Governor's veto was sustained.

### House Enrolled Act 1599

#### MESSAGE FROM THE GOVERNOR

Mr. Speaker and Members of the House: House Enrolled Act 1599 provides that, for elderly or disabled individuals who receive assistance under the federal Supplemental Security Income (SSI) program and receive residential care in a nursing home or hospital, and whose income is less than the monthly personal needs allowance, the state must pay the difference between the personal needs allowance and the amount of SSI assistance received by the individual. The state would have to make these payments—estimated at \$915,000 per year—solely from state funds, with no federal financial participation. This is contrary to state law, which prohibits the use of state Medicaid funds to pay for a service or supply for which federal financial participation is not available. It also mandates new Medicaid spending at a time when we must make significant efforts to control Medicaid costs.

The act also increases the monthly personal needs allowance from \$50 to \$52. The total additional cost of this act to the state is approximately \$1.25 million per year. Under my administration, the personal needs allowance has been increased by 66 percent, and we have encouraged in-home care for the elderly through the CHOICE program. But given the state's current financial situation, this Act is not the type of legislation that might justify a substantial increase in state Medicaid expenditures at this time.

I hereby veto House Enrolled Act 1599 and return it to the House of Representatives for further action.

FRANK O'BANNON  
Governor

The Speaker handed down House Enrolled Act 1599, passed by the First Regular Session of the 112th General Assembly.

AN ACT to amend the Indiana Code concerning Medicaid.

The merits of House Enrolled Act 1599 and the governor's veto were debated. The question was, Shall House Enrolled Act 1599 pass, the Governor's veto notwithstanding?

Roll Call 397: yeas 96, nays 0. The Governor's veto was overridden.

### House Enrolled Act 1856

#### MESSAGE FROM THE GOVERNOR

Mr. Speaker and Members of the House: House Enrolled Act 1856 would raise the pay of legislators, judges, prosecutors, and other judicial officers. Legislators have not had a salary increase since 1985. The Act also establishes a public officers' compensation commission, which would make recommendations on future salary increases for judges and executive branch officials.

I have said before that I believe legislators and judges are overdue for a pay raise. However, the state's current financial situation demands that even worthy initiatives be delayed until better economic times. The budget bill enacted by the General Assembly contains a structural deficit of nearly \$500 million. Significant sacrifices will have to be made to make ends meet. I have today vetoed two other bills primarily because of their fiscal impact. The legislative salary increase alone would add over \$1.4 million per year to the state's structural deficit beginning in 2003.

If economic conditions improve, I would encourage the Legislature to take another look at this idea. But only if the Legislature ensures that the fiscal integrity of the state is secure—not only in the fiscal year 2002-2003 biennium, but also in the 2004-2005 biennium as well.

The executive branch and those who receive its services must acknowledge economic reality and adjust their expectations accordingly. It is only fair that the other two branches of government do the same.

I hereby veto House Enrolled Act 1856 and return it to the House of Representatives for further action.

FRANK O'BANNON  
Governor

The Speaker handed down House Enrolled Act 1856, passed by the First Regular Session of the 112th General Assembly.

AN ACT to amend the Indiana Code concerning state offices and administration and to make an appropriation.

The merits of House Enrolled Act 1856 and the governor's veto were debated. The question was, Shall House Enrolled Act 1856 pass, the Governor's veto notwithstanding? Representatives Welch and Gregg were excused from voting.

Roll Call 398: yeas 2, nays 89. The Governor's veto was sustained.

### Senate Enrolled Act 471

#### MESSAGE FROM THE GOVERNOR

Mr. President and Members of the Senate: Senate Enrolled Act 471 prohibits Medicaid from imposing any restrictions or limitations on access to or use of prescription drugs used for the treatment of "mental illness." The Act is too broad. It would prevent Medicaid administrators from implementing common-sense, fiscally responsible measures that are in the best interests of program beneficiaries. These measures include mandating generic substitutions, placing limitations on quantities of drugs dispensed, and limiting the frequency of refills on controlled substances subject to abuse. The Act is also vague in that the term "mental illness" is not defined.

The new generation of anti-psychotic and anti-depressant medications has offered new hope to persons suffering from severe mental illness. I want to be clear that this administration has no intention of using prior authorization in the Medicaid fee-for-service program to restrict access to these drugs. The proposed Medicaid rule will reflect my position, and I will propose legislation in the 2002

session of the General Assembly to codify the rule into state law.

This legislation, however, bans not just prior authorization, but also other responsible and reasonable measures.

I hereby veto Senate Enrolled Act 471 and return it to the Senate for further action.

FRANK O'BANNON  
Governor

The Speaker handed down Senate Enrolled Act 471, passed by the First Regular Session of the 112th General Assembly.

AN ACT to amend the Indiana Code concerning health, professions and occupations.

The merits of Senate Enrolled Act 471 and the governor's veto were debated. The question was, Shall Senate Enrolled Act 471 pass, the Governor's veto notwithstanding?

Roll Call 399: yeas 24, nays 70. The Governor's veto was sustained.

Representative Ruppel was excused.

### Senate Enrolled Act 308

#### MESSAGE FROM THE GOVERNOR

Mr. President and Members of the Senate: Senate Enrolled Act 308 mandates payment policies and amounts for emergency room services covered by Medicaid. It would increase the emergency room costs incurred by Medicaid managed care organizations by an estimated \$289,000 per year. These costs would be passed along to the state.

This Act requires new Medicaid spending at a time when we must make significant efforts to control Medicaid costs. This is not the type of legislation that might justify a substantial increase in state Medicaid expenditures at this time.

I hereby veto Senate Enrolled Act 308 and return it to the Senate for further action.

FRANK O'BANNON  
Governor

The Speaker handed down Senate Enrolled Act 308, passed by the First Regular Session of the 112th General Assembly.

AN ACT to amend the Indiana Code concerning Medicaid.

The merits of Senate Enrolled Act 308 and the governor's veto were debated. The question was, Shall Senate Enrolled Act 308 pass, the Governor's veto notwithstanding? Representative T. Brown was excused from voting.

Roll Call 400: yeas 39, nays 49. The Governor's veto was sustained.

### RESOLUTIONS ON FIRST READING

#### House Concurrent Resolution 61

Representative Ripley introduced House Concurrent Resolution 61:

A CONCURRENT RESOLUTION urging the Department of Transportation to designate the portion of US Highway 224 from County Road 200 East to County Road 700 East as the "Jerrold J. Wyss Memorial Highway".

*Whereas, Officer Jerrold J. "Jerry" Wyss faithfully served the community of Decatur and the State of Indiana as a dedicated city policeman from January 1, 1998 to October 23, 2001 when he fell in the line of duty;*

*Whereas, Jerry Wyss graduated from Purdue University with a Bachelor of Arts degree in Social Law and Psychology and returned to his hometown of Decatur, Indiana to serve with the probation department and ultimately with the Decatur Police Department;*

*Whereas, Jerry Wyss was married to Amanda Heyerly on July 12, 1997 and was known as a man who loved his wife;*

*Whereas, They had one son, Samuel J. Wyss, who is nearly two years old;*

*Whereas, On the morning of October 23, 2001, Officer Jerry Wyss died in the line of duty while providing back-up for fellow Officer Chris Brite, when he lost control of the police car during a high speed chase; and*

*Whereas, Officer Wyss, who leaves behind a loving family, friends, and admiring colleagues, will never be forgotten for his sacrifice" Therefore,*

*Be it resolved by the House of Representatives  
of the General Assembly of the State of Indiana,  
the Senate concurring:*

SECTION 1. That the Indiana General Assembly recognizes the service of Officer Jerrold J. "Jerry" Wyss to the city of Decatur and to the State of Indiana and requests that the Indiana Department of Transportation memorialize his commitment to his community by designating the portion of US Highway 224 from 200 East to 700 East as the "Jerrold J. Wyss Memorial Highway".

SECTION 2. That the Principal Clerk of the House of Representatives transmit copies of this resolution to Amanda Wyss, Samuel Wyss, Delores Wyss-Brite, Chris Brite, the Decatur Police Department, and the Indiana Department of Transportation.

The resolution was read a first time and adopted by voice vote. The Clerk was directed to inform the Senate of the passage of the resolution. Senate sponsor: Senator Ford.

#### **House Concurrent Resolution 62**

Representatives Crosby, Becker, Budak, Dickinson, Duncan, Klinker, L. Lawson, Leuck, Noe, Pond, Richardson, Scholer, Summers, and Welch introduced House Concurrent Resolution 62:

A CONCURRENT RESOLUTION honoring the Indiana Fever for establishing the Indiana Fever Fund.

*Whereas, The Indiana Fever Fund was initiated by the Indiana Fever of the Women's National Basketball Association (WNBA) as part of the Pacers Foundation, Inc., in Indianapolis in the spring of 2001;*

*Whereas, The Indiana Fever Fund was created in an effort to team up with community-based organizations that focus on empowering young women;*

*Whereas, The Indiana Fever Fund supports programming that builds character and self-esteem in young women;*

*Whereas, The objective of the Indiana Fever Fund is to provide young women with the strength and confidence to improve the quality of their lives, take control of their future, and achieve their dreams;*

*Whereas, The Indiana Fever Fund aspires to become the leading funding source for programs that promote a strong self-image and encourage the development of valuable life skills among young women throughout the state of Indiana; and*

*Whereas, The Indiana Fever Fund also aspires to serve as a model for other WNBA teams around the country: Therefore,*

*Be it resolved by the House of Representatives  
of the General Assembly of the State of Indiana,  
the Senate concurring:*

SECTION 1. That the Indiana House of Representatives wishes to recognize the mission and vision of the Indiana Fever Fund and thank its leaders for forming a fund built on such honorable ideals.

SECTION 2. That the Principal Clerk of the House of Representatives shall transmit a copy of this resolution to the leadership of the Indiana Fever Fund.

The resolution was read a first time and adopted by voice vote. The Clerk was directed to inform the Senate of the passage of the resolution. Senate sponsor: Senator C. Lawson.

#### **House Concurrent Resolution 63**

Representatives Pelath and Fry introduced House Concurrent Resolution 63:

A CONCURRENT RESOLUTION urging the legislative council to monitor certain actions by public utilities that may result in diminished quality of service.

*Whereas, The utility industry provides electric, natural gas, telecommunications, and water and wastewater services to residential, commercial, and industrial customers in Indiana;*

*Whereas, Utility services are vital to the health, safety, and economic well-being of Hoosiers;*

*Whereas, The Indiana Code states, "Every utility is required to furnish reasonably adequate services and facilities";*

*Whereas, The utility industry is in a state of reorganization and consolidation;*

*Whereas, The changes in the utility industry may detrimentally affect the ability of utilities to meet their statutory changes;*

*Whereas, The closures and relocation of customer service centers, maintenance divisions, and other utility operations places the public welfare at risk;*

*Whereas, Public utility holding companies own and operate numerous subsidiaries that are both regulated utilities and unregulated entities;*

*Whereas, Public utility holding companies in every sector of the utility industry are consolidating through mergers and acquisitions;*

*Whereas, The Indiana Supreme Court has held that the Indiana Utility Regulatory Commission does not have the authority to approve or reject a merger involving a public utility holding company operating a subsidiary utility within Indiana;*

*Whereas, Utility customers in Indiana have been and will be affected by the reorganization and consolidation of the utility industry; and*

*Whereas, Indiana law requires utility companies to provide adequate service at rates that are just and reasonable: Therefore,*

*Be it resolved by the House of Representatives  
of the General Assembly of the State of Indiana,  
the Senate concurring:*

SECTION 1. That the Indiana General Assembly is concerned with the consolidation and reorganization within the utility industry.

SECTION 2. That the Indiana General Assembly opposes any action by utility companies that places the public welfare at risk through diminished quality of service.

SECTION 3. That the Principal Clerk of the House of Representatives transmit a copy of this resolution to Chairman William McCarty of the Indiana Utility Regulatory Commission and to Anne Becker, Utility Consumer Counselor.

The resolution was read a first time and adopted by voice vote. The Clerk was directed to inform the Senate of the passage of the resolution. Senate sponsors: Senators Alexa, Landske, Antich, Blade, Bowser, Breaux, Broden, Craycraft, Howard, Lanane, Lewis, L. Lutz, Mrvan, Rogers, Simpson, Sipes, S. Smith, and R. Young.

#### **House Concurrent Resolution 64**

Representative Porter introduced House Concurrent Resolution 64:

A CONCURRENT RESOLUTION urging the establishment of an interim study committee on various education issues.

*Whereas, The General Assembly has a constitutional duty to provide for a public school system for the education of Indiana's children;*

*Whereas, In 1999, the Indiana General Assembly overwhelmingly enacted Academic Standards and Accountability laws applicable to Indiana's public schools (P.L.221-1999 and P.L.146-1999);*

*Whereas, Under these laws, the primary means of assessing a school's improvement rests in the performance of a school's students on the Indiana Statewide Testing for Educational Progress (ISTEP) assessment and other assessments recommended by the education roundtable;*

*Whereas, It is imperative for the state to ensure that all students*

*are provided the opportunity to reach the academic standards; and*

*Whereas, The state must both engage in the identification and provision of resources necessary for all children to meet the state's standards: Therefore,*

*Be it resolved by the House of Representatives  
of the General Assembly of the State of Indiana,  
the Senate concurring:*

SECTION 1. That the legislative council is urged to establish a committee to study various education issues.

SECTION 2. That the committee, if established, shall study at least the following issues:

- (1) The effect of P.L.221-1999 and P.L.146-1999 on Indiana's public schools, particularly as those public laws relate to issues of poverty, minority status, limited English proficiency, and special education.
- (2) The various differences in average achievement levels at all grade levels and among and between various subgroups of students, identified through the disaggregation of ISTEP score results.
- (3) The resources that would best enable students who do not demonstrate the requisite proficiency of standards to, in a reasonable period of time, reach the standards;
- (4) Issues relating to the administration of the Graduation Qualifying Exam and Indiana's special education population; and
- (5) National board certified teachers.

SECTION 3. That the committee, if established, shall have the following members:

- (1) The following members appointed by the speaker of the house of representatives:
  - (A) Three (3) public school educators.
  - (B) Three (3) citizens knowledgeable in K-12 education issues, none of whom are employed in a public or private school.
  - (C) Three (3) members of the house of representatives, not more than two (2) of whom may be members of the same political party.
- (2) The following members appointed by the president pro tempore of the senate:
  - (A) Three (3) public school educators.
  - (B) Three (3) citizens knowledgeable in K-12 education issues, none of whom are employed in a public or private school.
  - (C) Three (3) members of the senate, not more than two (2) of whom may be members of the same political party.

SECTION 4. That the committee, if established, shall operate under the direction of the legislative council and that the committee shall issue a final report when directed to do so by the council.

The resolution was read a first time and adopted by voice vote. The Clerk was directed to inform the Senate of the passage of the resolution. Senate sponsors: Senators Breaux, Lubbers, and Rogers.

### House Resolution 65

Representative Becker introduced House Resolution 65:

A HOUSE RESOLUTION urging the legislative council to assign to the Health Finance Commission the topic of self-directed care and expansion of personal care services.

*Whereas, The options for expanding the self-directed care industry, including home health and hospice agencies, are of great interest to the citizens of the state of Indiana; and*

*Whereas, The possibility of expanding personal care services on a statewide basis through publicly funded agencies should be examined: Therefore,*

*Be it resolved by the House of Representatives  
of the General Assembly of the State of Indiana:*

SECTION 1. That the legislative council is urged to assign to the Health Finance Commission the topic of self-directed care and expansion of personal care services.

SECTION 2. That the commission, if assigned the topic, shall

operate under the direction of the legislative council and that the commission shall issue a final report when directed to do so by the council.

The resolution was read a first time and adopted by voice vote.

### House Resolution 68

Representatives Thompson and Cheney introduced House Resolution 68:

A HOUSE RESOLUTION urging companies who do business with the state of Indiana or receive tax incentives from the state of Indiana to use steel produced in the United States.

*Whereas, Steel has long been an important industry in northern Indiana and is vital to the economy of the United States;*

*Whereas, In recent years, the steel industry has been hit with a rise in bankruptcy filings among domestic producers, plummeting steel and stock prices, falling employment, and increased foreign control of the industry;*

*Whereas, Since the industry crisis began in 1998, twenty-eight steel companies with over sixty thousand employees have filed for bankruptcy;*

*Whereas, In recent years the steel industry has also been suffering because of increased importation of steel and iron ore products into the United States and the increased costs for retiree health care due to downsizing and restructuring of the industry during the 1980s;*

*Whereas, It is of the utmost importance to the economy of the state that companies who do business with Indiana or receive tax incentives from the state of Indiana use steel produced in the United States; and*

*Whereas, Steel has long been the backbone of the economy of northern Indiana and several areas in the United States, and it is vital that this industry be protected to maintain thousands of American jobs: Therefore,*

*Be it resolved by the House of Representatives  
of the General Assembly of the State of Indiana:*

SECTION 1. That the House of Representatives urges companies who do business with Indiana or receive tax incentives from the state to use steel produced in the United States.

The resolution was read a first time and adopted by voice vote.

### House Resolution 69

Representatives Steele and Denbo introduced House Resolution 69:

A HOUSE RESOLUTION to recognize that Heltonville Elementary School designated as a Four Star School in Lawrence County.

*Whereas, The North Lawrence Community Schools is made up of ten elementary schools, one high school, three junior-high/middle schools, a vocational/technical facility, and a special education center;*

*Whereas, The kindergarten through sixth grade school's current enrollment of Heltonville Elementary is 144 students;*

*Whereas, The student per teacher ratio is 17.6, and the average teaching experience is 15.3 years;*

*Whereas, As a Four Star School for 2001-2002, Heltonville Elementary School has performed in the top 25 percent of all schools in the state in each of the following four areas: attendance rate, language arts proficiency score, mathematics proficiency score, and percentage of students meeting state standards in both English/language arts and mathematics;*

*Whereas, Heltonville Elementary School is the first and only school in Lawrence County to achieve a four-star rating by the Department of Education: Therefore,*

*Be it resolved by the House of Representatives  
of the General Assembly of the State of Indiana:*

SECTION 1. That the Indiana House of Representatives commend Heltonville Elementary School on their excellence in education and

for being named a Four Star School.

SECTION 2. That the Principal Clerk of the House of Representatives transmit a copy of this resolution to Heltonville Elementary School.

The resolution was read a first time and adopted by voice vote.

### House Resolution 70

Representatives Ruppel and Wolkins introduced House Resolution 70:

A HOUSE RESOLUTION to honor Richard Mitchell upon his retirement, a 24 year Tippecanoe Township trustee, for his many accomplishments.

*Whereas, Before he took office in 1979 as trustee, he was the president of the fire department;*

*Whereas, Richard Mitchell helped to put a new roof on the fire station;*

*Whereas, He helped to get the community building/township offices donated from the Dekko Foundation in 1981;*

*Whereas, He also was able to assist in housing the library, furnish the community rooms, and restore and recover the Shock Lake Cemetery;*

*Whereas, In 2000, Richard Mitchell was inducted into the Kosciusko County Democrat Hall of Fame;*

*Whereas, Richard was married to Kosciusko County Auditor, Sue Ann Mitchell, in 1981, and they have a son, daughter, two grandchildren, two great-grandchildren, two stepchildren, and three step-grandchildren: Therefore,*

*Be it resolved by the House of Representatives of the General Assembly of the State of Indiana:*

SECTION 1. That the Indiana House of Representatives commend Richard Mitchell for his commitment to his community and his service as the Tippecanoe Township trustee.

SECTION 2. That the Principal Clerk of the House of Representatives transmit a copy of this resolution to Richard Mitchell.

The resolution was read a first time and adopted by voice vote.

### House Resolution 71

Representative M. Smith introduced House Resolution 71:

A HOUSE RESOLUTION to urge the establishment of a fund to protect homeowners by providing a means of redress in the event that all debts owed on a home building or remodeling project are not paid by the general contractor.

*Whereas, Indiana's existing mechanics lien legislation provides satisfactory protection to the suppliers and lending institutions;*

*Whereas, The homeowner is left with the responsibility of paying subcontractor, suppliers and lenders in the event when the general contractor does not pay for the work or materials provided;*

*Whereas, The homeowner is at risk of being forced to sell the home to pay the debts if they cannot pay otherwise, despite having already paid once;*

*Whereas, For over 20 years, the state of Michigan has successfully operated under such a system, which is funded through reasonable contributions by participating builders, electrical contractors, master plumbers, mechanical contractors, subcontractors, suppliers, and laborers; and,*

*Whereas, The Indiana Lumber and Builders Supply Association believes that such an act would greatly benefit the consumers of the State of Indiana without altering or weakening the current lien laws of our state: Therefore,*

*Be it resolved by the House of Representatives of the General Assembly of the State of Indiana:*

SECTION 1. That the legislative council establish an interim study committee to study the merits of a Lien Recovery Fund.

SECTION 2. That the committee, if established, include members of the judiciary committees of the Indiana House of Representatives

and the Indiana Senate who have familiarity with Indiana's lien statutes.

SECTION 3. That the study committee require a preliminary meeting of affected groups representing builders, suppliers, subcontractors, financial institutions, and title companies.

SECTION 4. That the committee limit their study to the establishment of a Lien Recovery Fund for one and two family residential applications only and exclude commercial construction projects, including apartment dwellings.

SECTION 5. That the committee examine the establishment of criteria for a party to make a claim against the Lien Recovery Fund.

SECTION 6. That the committee examine the funding of a Lien Recovery Fund from private enterprise only.

SECTION 7. That the committee examine the question of the administration of the Lien Recovery Fund by a neutral third party, including but not limited to a state agency.

SECTION 8. That the committee, if established, report its findings to the legislative council.

The resolution was read a first time and adopted by voice vote.

### House Resolution 72

Representative Aguilera introduced House Resolution 72:

A HOUSE RESOLUTION urging the establishment of an interim study committee on the Indiana Harbor Ship Canal.

*Whereas, The U.S. Army Corp of Engineers is engaged in a major project involving the maintenance dredging of the Indiana Harbor Ship Canal; and*

*Whereas, Residents of the area have expressed concern over the environmental problems that may be associated with the disposal of the dredged material: Therefore,*

*Be it resolved by the House of Representatives of the General Assembly of the State of Indiana:*

SECTION 1. (a) As used in this SECTION, "committee" refers to the Indiana Harbor Ship Canal Maintenance Dredging and Disposal Project study committee proposed under this SECTION.

(b) As used in this SECTION, "project" refers to the Indiana Harbor Ship Canal Maintenance Dredging and Disposal Project overseen by the United States Army Corps of Engineers.

(c) The legislative council is urged to establish the Indiana Harbor Ship Canal Maintenance Dredging and Disposal Project study committee. If the committee is established, the legislative council is further urged to direct that the committee operate in conformity with subsections (d) through (j).

(d) If established, the committee should consist of the following twelve (12) members:

(1) Two (2) members appointed by the speaker of the house of representatives:

- (A) who are members of the house of representatives;
- (B) who are not affiliated with the same political party; and
- (C) at least one (1) of whom represents a house district that has territory that is directly affected by the project.

(2) Two (2) members appointed by the president pro tempore of the senate:

- (A) who are members of the senate;
- (B) who are not affiliated with the same political party; and
- (C) at least one (1) of whom represents a senate district that has territory that is directly affected by the project.

(3) The following eight (8) members appointed by the governor:

- (A) The mayor of East Chicago.
- (B) One (1) member of the East Chicago city council.
- (C) One (1) representative of the department of environmental management.
- (D) One (1) representative of a nonprofit environmental organization.
- (E) Four (4) residents of East Chicago.

(e) If the governor does not make an appointment under subsection (d)(3) before May 1, 2002, the chairman of the legislative council shall make the appointment.

(f) An appointed member of the committee serves at the pleasure

of the appointing authority identified in subsection (d). The appointing authority shall fill any vacancy on the committee within forty-five (45) days. A member may not appoint a proxy or otherwise designate another person to participate in the activities of the committee.

(g) The chairman of the legislative council shall designate the chairperson of the committee from the membership of the committee.

(h) The expenses of the committee shall be paid from appropriations made to the legislative council or the legislative services agency.

(i) The committee shall do the following:

(1) Study and assess the project.

(2) Study the viability of the site the United States Army Corps of Engineers has selected for the project's Confined Disposal Facility.

(3) Study the viability of alternative sites for the project's Confined Disposal Facility.

(4) Submit its final report before January 1, 2003, to the following:

(A) The governor.

(B) The executive director of the legislative services agency.

(C) The commissioner of the department of environmental management.

The committee shall assure that the final report is made readily available to the residents of East Chicago, businesses and industry in East Chicago, and the general public.

(j) The legislative services agency shall provide staff support to the committee.

SECTION 2. That the committee, if established, shall operate under the direction of the legislative council and that the committee shall issue a final report when directed to do so by the council.

The resolution was read a first time and adopted by voice vote.

### House Resolution 73

Representative Gregg introduced House Resolution 73:

A RESOLUTION honoring Joyce Brinkman as Indiana's poet laureate.

*Whereas, Joyce Brinkman is a citizen whose strong Hoosier roots include five generations of family living in Indiana;*

*Whereas, Joyce Brinkman developed a love of politics and poetry from her earliest days;*

*Whereas, Joyce Brinkman practiced politics in Indiana and served in Indiana government for 25 years;*

*Whereas, Joyce Brinkman, in the time she served as a state representative in the Indiana House of Representatives, always closed the biennial sessions with poetry to honor retiring members;*

*Whereas, Joyce Brinkman displayed her love of the Hoosier state and poetry by sharing her poems in the State House chapel and at the inauguration of state officials;*

*Whereas, Joyce Brinkman's poetry has been published in newspapers and books; and*

*Whereas, Joyce Brinkman has written and taught writing since retiring from Indiana government: Therefore,*

*Be it resolved by the House of Representatives of the General Assembly of the State of Indiana:*

SECTION 1. That the Indiana House of Representatives wishes to make it known that because of her love of politics and poetry, her deep appreciation and understanding of the unique character of the Hoosier experience, her commitment to preservation of Indiana's natural landscapes, and the proclamation of its beauty through poetry, Joyce Brinkman is declared to be an Indiana poet laureate.

SECTION 2. That the Principal Clerk of the House of Representatives shall transmit a copy of this resolution to Joyce Brinkman and her family.

The resolution was read a first time and adopted by voice vote.

### House Resolution 74

Representative C. Brown introduced House Resolution 74:

A HOUSE RESOLUTION urging the legislative council to assign the Health Finance Commission the task of studying ways for the state to work in a cooperative effort with the American Heart Association in educating the public regarding strokes.

*Whereas, Strokes are America's No. 3 killer, afflicting 600,000 people each year;*

*Whereas, A stroke has a devastating impact on individual lives and adds a significant burden to the financing of health care costs in Indiana;*

*Whereas, Educating the public about the warning signs of a stroke and encouraging hospital and emergency medical personnel to make stroke assessment and treatment high priorities will reduce critical delays in stroke treatment, saving and improving a great many lives, and reducing financial burdens upon the health care system; and*

*Whereas, The House of Representatives recognizes the importance of prevention, early intervention, and rehabilitation: Therefore,*

*Be it resolved by the House of Representatives of the General Assembly of the State of Indiana:*

SECTION 1. That the Indiana House of Representatives urges the legislative council to direct the Health Finance Commission to study ways for the state to work in a cooperative effort with the American Heart Association to educate the public, provide assistance, collect and share information regarding the best practices in stroke treatment and prevention, and provide opportunities to train appropriate medical personnel in newly developed approaches for preventing and treating stroke.

SECTION 2. That the Principal Clerk of the House of Representatives shall transmit a copy of this resolution to the American Heart Association.

The resolution was read a first time and adopted by voice vote.

### House Resolution 75

Representative Hasler introduced House Resolution 75:

A HOUSE RESOLUTION to urge cooperation to improve cancer outcomes and develop consensus guidelines for health care coverage of routine patient care costs associated with oncology clinical trials.

*Whereas, The American Cancer Society estimates that 30,000 Indiana residents will be diagnosed with cancer this year;*

*Whereas, Indiana ranks 17th among men and 13th among women for overall cancer deaths in the United States;*

*Whereas, Cancer clinical trials offer patients the opportunity to obtain new treatments and may be the only therapeutic options available for seriously ill cancer patients;*

*Whereas, Major advancements in cancer prevention and treatment are the result of quality clinical research;*

*Whereas, Patients and providers are reluctant to participate in clinical trials without assurance of health plan coverage;*

*Whereas, Approved cancer clinical trials are carefully designed treatment protocols that require external scientific oversight and institutional review board approval;*

*Whereas, In contrast to the continuum of clinical trials, there is widespread ad hoc treatment that is uncontrolled, single patient oriented, and based on the chance occurrence that a given regimen will work;*

*Whereas, By not covering the routine patient care costs for participation in cancer clinical trials, there is unwitting support for ad hoc care that may have no value or be futile;*

*Whereas, This constraint results in great expense and provides no answers to pressing current questions regarding treatment for patients whose cancer has failed to respond to standard therapy or for which no effective standard therapy exists; and*

*Whereas, Both those who fight cancer and those who finance the battle against cancer share a concern for patient care and for the ultimate elimination of this deadly and costly disease: Therefore,*

*Be it resolved by the House of Representatives of the General Assembly of the State of Indiana:*



SECTION 1. That the Indiana House of Representatives urges those who fight cancer and those who finance the battle against cancer, including cancer care providers, payers, and their accounts, patient advocates, and legislators work cooperatively to discuss and resolve important health care issues related to the provisions and financing of clinical trials.

SECTION 2. That the Principal Clerk of the House of Representatives transmit a copy of this resolution to the American Cancer Society, which has committed to initiating dialogue and cooperation on this initiative.

The resolution was read a first time and adopted by voice vote.

### House Resolution 76

Representatives Pelath and Fry introduced House Resolution 76:

A HOUSE RESOLUTION urging the legislative council to monitor certain actions by public utilities that may result in diminished quality of service.

*Whereas, The utility industry provides electric, natural gas, telecommunications, and water and wastewater services to residential, commercial, and industrial customers in Indiana;*

*Whereas, Utility services are vital to the health, safety, and economic well-being of Hoosiers;*

*Whereas, The Indiana Code states, "Every utility is required to furnish reasonably adequate services and facilities";*

*Whereas, The utility industry is in a state of reorganization and consolidation;*

*Whereas, The changes in the utility industry may detrimentally affect the ability of utilities to meet their statutory changes;*

*Whereas, The closures and relocation of customer service centers, maintenance divisions, and other utility operations place the public welfare at risk;*

*Whereas, Public utility holding companies own and operate numerous subsidiaries that are both regulated utilities and unregulated entities;*

*Whereas, Public utility holding companies in every sector of the utility industry are consolidating through mergers and acquisitions;*

*Whereas, The Indiana Supreme Court has held that the Indiana Utility Regulatory Commission does not have the authority to approve or reject a merger involving a public utility holding company operating a subsidiary utility within Indiana;*

*Whereas, Utility customers in the state of Indiana have been and will be affected by the reorganization and consolidation of the utility industry; and*

*Whereas, Indiana law requires utility companies to provide adequate service at rates that are just and reasonable: Therefore,*

*Be it resolved by the House of Representatives of the General Assembly of the State of Indiana:*

SECTION 1. That the House of Representatives is concerned with the consolidation and reorganization within the utility industry.

SECTION 2. That the House of Representatives opposes any action by utility companies that places the public welfare at risk through diminished quality of service.

SECTION 3. That the Principal Clerk of the House of Representatives shall transmit a copy of this resolution to Chairman William McCarty of the Indiana Utility Regulatory Commission and Utility Consumer Counselor Anne Becker.

The resolution was read a first time and adopted by voice vote.

### Senate Concurrent Resolution 2

The Speaker handed down Senate Concurrent Resolution 2, sponsored by Representatives Liggett and Buck:

A CONCURRENT RESOLUTION urging the Indiana department of transportation to continue pursuing the development of high speed rail passenger service in Indiana.

*Whereas, The Legislative Council has assigned the issue of high speed rail service in Indiana to the Northwest Indiana*

*Transportation Commission;*

*Whereas, Testimony from the Indiana department of transportation and the Indiana High Speed Rail Association indicates excellent progress has been made in developing system plans for such a service;*

*Whereas, The timing of this legislative action is critical to the success of the development of a high speed rail system in Indiana: Therefore,*

*Be it resolved by the Senate of the General Assembly of the State of Indiana, the House of Representatives concurring:*

SECTION 1. That the Indiana General Assembly encourages the Indiana department of transportation to continue to pursue the development of high speed rail service in Indiana.

SECTION 2. That the Indiana General Assembly encourages the Indiana department of transportation to use available funds to carry out studies relative to eventual implementation of a Midwest high speed rail network.

SECTION 3. That the Indiana department of transportation should continue to pursue routing studies and preliminary engineering studies for the selected routes.

The resolution was read a first time and adopted by voice vote. The Clerk was directed to inform the Senate of the passage of the resolution.

### Senate Concurrent Resolution 26

The Speaker handed down Senate Concurrent Resolution 26, sponsored by Representatives Frenz and Steele:

A CONCURRENT RESOLUTION supporting the designation of Indiana's Historic Pathways as a State and National Scenic Byway.

*Whereas, Indiana's Historic Pathways are comprised of three historically interconnected corridors, the ancient Buffalo Trace, which enters Indiana at Clarksville and leaves the state at Vincennes; U.S. 150, located on or near the historic Vincennes to New Albany stagecoach line; and U.S. 50, which stretches from Lawrenceburg to Vincennes;*

*Whereas, These three roads were designed to provide easy and relatively quick access to the Mississippi Valley from eastern terminals on the Ohio River at Cincinnati and Louisville. In turn, they stimulated the growth of southern Indiana towns and villages and their economies;*

*Whereas, The Buffalo Trace represents both Indiana's connection to its prehistoric past and the story of its indigenous populations. It was developed as a travel Byway by the massive herds of the now extinct Eastern American Bison who migrated from the prairies of Illinois and Wisconsin to the salt licks of Kentucky. This Byway would eventually attract American Indians who would use the herds as a major source of food. American Indians and the Europeans who came later used the bison's already worn path to journey across southern Indiana between Vincennes and the Falls of the Ohio at present day Louisville. Sections of this historic path remain visible from public roads;*

*Whereas, In the years following the creation of the Indiana Territory there arose a need for a better-constructed road between the Falls and the territorial capital at Vincennes. In the early 1800's, a second Byway was constructed just slightly north of the old trace. This Byway became the main stagecoach and wagon road between the two points. The Byway was constantly improved as the population grew, eventually becoming what is today U.S. Highway 150;*

*Whereas, With the arrival of the railroads in the 1850's and the continual growth of southern and central Indiana, the need arose for another east-west transportation corridor across the region. Its primary purpose was to reduce the travel time between the growing cities of Cincinnati and St. Louis. This road, which paralleled the railroad, would eventually become U.S. Highway 50, running from Lawrenceburg to Vincennes in Indiana;*

*Whereas, By developing these roads as a single special corridor, people will be able to learn more about the significance and beauty of southern Indiana. These roads tell the story of the connection to the mighty Ohio River and of the human efforts undertaken to conquer this barrier, gain faster connections to the interior, and develop the mineral and natural resources of the southern Midwest. The routes have had a major impact on the settlement and history of Indiana and have played an important role in the migration of settlers to America's west; and*

*Whereas, The Indiana Historic Pathways Scenic Byway, bordered on the north and south by the already completed Ohio River Scenic Byway and the National Road (U.S. 40) Scenic Byway, will allow travelers to experience the natural landscapes, agricultural fields, small town main streets, rich architecture, metropolitan communities, and river life of southern Indiana: Therefore,*

*Be it resolved by the Senate  
of the General Assembly of the State of Indiana,  
the House of Representatives concurring:*

SECTION 1. That the Indiana General Assembly supports the application by the Corridor Development Committee of Historic Southern Indiana to the Indiana Department of Transportation and the U.S. Department of Transportation Federal Highway Administration to have Indiana's Historic Pathways designated a State and National Scenic Byway.

SECTION 2. The Secretary of the Senate is hereby directed to transmit a copy of this Resolution to the commissioner of the Indiana Department of Transportation, the director of the Federal Highway Administration and a representative of the Corridor Development Committee of Historic Southern Indiana.

The resolution was read a first time and adopted by voice vote. The Clerk was directed to inform the Senate of the passage of the resolution.

### **Senate Concurrent Resolution 31**

The Speaker handed down Senate Concurrent Resolution 31, sponsored by Representative Stilwell:

A CONCURRENT RESOLUTION Honoring the designation of Highway 162 from U.S. 231 to the overpass at Interstate 64 as the William A. Koch Memorial Highway.

*Whereas, Over the years, Mr. Koch has had an unusual hobby: highways;*

*Whereas, Out of all the road projects he worked on, Interstate 64 was his pride and joy;*

*Whereas, He worked diligently to move Highway 64 from its originally planned location to its current route, which runs straight across the southern part of the state;*

*Whereas, The opening of Interstate 64 brought great economic growth to Southern Indiana;*

*Whereas, AK Steel built major production facilities in Rockport, Indiana and Toyota built a vehicle manufacturing plant in Princeton, Indiana;*

*Whereas, The economic impact of Interstate 64 created a ripple effect benefitting other small businesses and communities in the region;*

*Whereas, The development of Highway 162 also led Mr. Koch to develop the World's first theme park;*

*Whereas, Santa Claus Land opened its doors nine years before Disneyland in 1946;*

*Whereas, Bill Koch and the rest of the Koch family steered Santa Claus Land from a quaint kiddie park to a major attraction with roller coasters and a water park;*

*Whereas, In 1984, Santa Claus Land changed its name to Holiday World;*

*Whereas, Building highways and amusement parks were not the only projects on which Mr. Koch worked;*

*Whereas, His other significant projects include: the Lincoln Boyhood National Memorial, the Santa Claus Industrial Park, the*

*Town of Santa Claus, Christmas Lake Village, the Kringle Place Shopping Center, and Holiday Village;*

*Whereas, Bill Koch was humble about his accomplishments and candid about his failures;*

*Whereas, He said, "Not everything has worked. We quit as many things as we started. You don't give up. You just keep going. You try something new": Therefore,*

*Be it resolved by the Senate  
of the General Assembly of the State of Indiana,  
the House of Representatives concurring:*

SECTION 1. That the General Assembly honor the designation of Highway 162 from U.S. 231 to the overpass at Interstate 64 as the William A. Koch Memorial Highway.

SECTION 2. That the Secretary of the State transmit copies of the Resolution to his wife, Pat Koch, and his five children, Will Koch, Kristi Koch, Daniel Koch, Philip Koch, and Natalie Koch.

The resolution was read a first time and adopted by voice vote. The Clerk was directed to inform the Senate of the passage of the resolution.

### **Senate Concurrent Resolution 59**

The Speaker handed down Senate Concurrent Resolution 59, sponsored by Representative Ripley:

A CONCURRENT RESOLUTION urging the Department of Transportation to designate the portion of US Highway 224 from County Road 200 East to County Road 700 East as the "Jerrold J. Wyss Memorial Highway".

*Whereas, Officer Jerrold J. "Jerry" Wyss faithfully served the community of Decatur and the State of Indiana as a dedicated city policeman from January 1, 1998 to October 23, 2001 when he fell in the line of duty;*

*Whereas, Jerry Wyss graduated from Purdue University with a Bachelor of Arts degree in Social Law and Psychology and returned to his hometown of Decatur, Indiana to serve with the probation department and ultimately with the Decatur Police Department;*

*Whereas, Jerry Wyss was married to Amanda Heyerly on July 12, 1997 and was known as a man who loved his wife. They had one son, Samuel J. Wyss, who is nearly two years old;*

*Whereas, On the morning of October 23, 2001, Officer Jerry Wyss died in the line of duty while providing back-up for fellow officer Chris Brite when he lost control of his police car during a high speed chase; and*

*Whereas, Officer Wyss, who leaves behind a loving family, friends, and admiring colleagues, will never be forgotten for his sacrifice: Therefore,*

*Be it resolved by the Senate  
of the General Assembly of the State of Indiana,  
the House of Representatives concurring:*

SECTION 1. That the Indiana General Assembly recognizes the service of Officer Jerrold J. "Jerry" Wyss to the city of Decatur and the to the State of Indiana and requests that the Indiana Department of Transportation memorialize his commitment to his community by designating the portion of US Highway 224 from 200 East to 700 East as the "Jerrold J. Wyss Memorial Highway".

SECTION 2. That the Secretary of the Senate is hereby directed to transmit copies of this Resolution to Amanda Wyss, Samuel Wyss, Delores Wyss-Brite, Chris Brite, the Decatur Police Department, and the Indiana Department of Transportation.

The resolution was read a first time and adopted by voice vote. The Clerk was directed to inform the Senate of the passage of the resolution.

## **CONFERENCE COMMITTEE REPORTS**

### **Engrossed Senate Bill 270-1**

The conference committee report was reread. Roll Call 401: yeas 85, nays 2. Report adopted.

Representative Ruppel was present.

**Engrossed Senate Bill 252-1**

The conference committee report was reread. Roll Call 402: yeas 91, nays 0. Report adopted.

**Engrossed Senate Bill 318-1**

The conference committee report was reread. Roll Call 403: yeas 91, nays 0. Report adopted.

**Engrossed Senate Bill 402-1**

The conference committee report was reread. Roll Call 404: yeas 88, nays 3. Report adopted.

**Engrossed Senate Bill 19-1**

The conference committee report was reread. Roll Call 405: yeas 89, nays 1. Report adopted.

**Engrossed Senate Bill 152-1**

The conference committee report was reread. Roll Call 406: yeas 87, nays 2. Report adopted.

**Engrossed Senate Bill 506-1**

The conference committee report was reread. Roll Call 407: yeas 77, nays 13. Report adopted.

**Engrossed Senate Bill 360-1**

The conference committee report was reread. Roll Call 408: yeas 91, nays 0. Report adopted.

**Engrossed Senate Bill 343-1**

The conference committee report was reread. Roll Call 409: yeas 90, nays 0. Report adopted.

**Engrossed Senate Bill 344-1**

The conference committee report was reread. Roll Call 410: yeas 91, nays 0. Report adopted.

**Engrossed Senate Bill 102-1**

The conference committee report was reread. Roll Call 411: yeas 84, nays 0. Report adopted.

**Engrossed Senate Bill 461-1**

The conference committee report was reread. Roll Call 412: yeas 91, nays 0. Report adopted.

**Engrossed Senate Bill 248-1**

The conference committee report was reread. Roll Call 413: yeas 87, nays 0. Report adopted.

**Engrossed Senate Bill 399-1**

The conference committee report was reread. Roll Call 414: yeas 85, nays 0. Report adopted.

**Engrossed Senate Bill 22-1**

The conference committee report was reread. Roll Call 415: yeas 90, nays 0. Report adopted.

**Engrossed Senate Bill 417-1**

The conference committee report was reread. Roll Call 416: yeas 93, nays 0. Report adopted.

**Engrossed Senate Bill 259-1**

The conference committee report was reread. Roll Call 417: yeas 90, nays 1. Report adopted.

**Engrossed Senate Bill 239-1**

The conference committee report was reread. Roll Call 418: yeas 93, nays 0. Report adopted.

**Engrossed Senate Bill 249-1**

The conference committee report was reread. Roll Call 419: yeas 90, nays 0. Report adopted.

**Engrossed Senate Bill 277-1**

The conference committee report was reread. Roll Call 420: yeas 46, nays 43. Report failed for lack of a constitutional majority.

**Engrossed Senate Bill 292-1**

The conference committee report was reread. Roll Call 421: yeas 90, nays 1. Report adopted.

**Engrossed Senate Bill 508-1**

The conference committee report was reread. Roll Call 422: yeas 87, nays 0. Report adopted.

**Engrossed Senate Bill 482-1**

The conference committee report was reread. Roll Call 423: yeas 86, nays 0. Report adopted.

Representative Turner was excused.

**MOTIONS TO CONCUR  
IN SENATE AMENDMENTS**

**HOUSE MOTION**

Mr. Speaker: I move that the House reconsider its actions whereby it dissented from the Senate amendments to Engrossed House Bill 1258 and that the House now concur in the Senate amendments to said bill.

CRAWFORD

Roll Call 424: yeas 85, nays 3. Motion prevailed.

**OTHER BUSINESS ON THE SPEAKER'S TABLE**

**MESSAGE FROM THE GOVERNOR**

Mr. Speaker and Members of the House: On March 14, 2002, I signed into law Senate Enrolled Acts 43, 50, 73, 104, 139, 148, 149, 153, 158, 180, 213, 216, 225, 230, 247, 260, 271, 306, 373, 374, 381, 391, 404, 405, 423, 443, 469, 491, and 513, Senate Enrolled Joint Resolution 12, and House Enrolled Acts 1005, 1026, 1033, 1075, 1077, 1099, 1129, 1159, 1187, 1200, 1201, 1204, 1215, 1227, 1238, 1240, and 1341.

FRANK O'BANNON  
Governor

**MESSAGE FROM THE SENATE**

Mr. Speaker: I am directed by the Senate to inform the House that the Senate has overridden the veto of the Governor on House Enrolled Acts 1207 and 1908.

MARY C. MENDEL  
Principal Secretary of the Senate

**MESSAGE FROM THE SENATE**

Mr. Speaker: I am directed by the Senate to inform the House that the Senate has sustained the veto of the Governor on House Enrolled Act 2001.

MARY C. MENDEL  
Principal Secretary of the Senate

**MESSAGE FROM THE SENATE**

Mr. Speaker: I am directed by the Senate to inform the House that the Senate has adopted the Conference Committee Report on Engrossed Senate Bills 19-1, 25-1, and 29-1.

MARY C. MENDEL  
Principal Secretary of the Senate

**MESSAGE FROM THE SENATE**

Mr. Speaker: I am directed by the Senate to inform the House that

the Senate has passed House Concurrent Resolution 62 and the same is herewith returned to the House.

MARY C. MENDEL  
Principal Secretary of the Senate

## CONFERENCE COMMITTEE REPORTS

### CONFERENCE COMMITTEE REPORT EHB 1001-1; filed March 14, 2002, at 3:36 p.m.

Mr. Speaker: Your Conference Committee appointed to confer with a like committee from the Senate upon Engrossed Senate Amendments to Engrossed House Bill 1001 respectfully reports that said two committee have conferred and agreed as follows to wit:

that the House recede from its dissent from all Senate amendments and that the House now concur in all Senate amendments to the bill and that the bill be further amended as follows:

Page 4, delete lines 2 through 42.

Page 5, delete lines 1 through 29, begin a new paragraph and insert:

"SECTION 2. IC 4-13.5-1-1, AS AMENDED BY P.L.291-2001, SECTION 76, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 1. As used in this article:

"Commission" refers to the state office building commission.

**"Communications system infrastructure" has the meaning set forth in IC 5-26-5-1.**

"Construction" means the erection, renovation, refurbishing, or alteration of all or any part of buildings, improvements, or other structures, including installation of fixtures or equipment, landscaping of grounds, site work, and providing for other ancillary facilities pertinent to the buildings or structures.

"Correctional facility" means a building, a structure, or an improvement for the custody, care, confinement, or treatment of committed persons under IC 11.

"Department" refers to:

**(1) the integrated public safety commission, for purposes of a facility consisting of communications system infrastructure; and**

**(2) the Indiana department of administration, for purposes of all other facilities.**

"Mental health facility" means a building, a structure, or an improvement for the care, maintenance, or treatment of persons with mental or addictive disorders.

"Facility" means all or any part of one (1) or more buildings, structures, or improvements (whether new or existing), or parking areas (whether surface or an above or below ground parking garage or garages), owned or leased by the commission or the state for the purpose of:

(1) housing the personnel or activities of state agencies or branches of state government;

(2) providing transportation or parking for state employees or persons having business with state government;

(3) providing a correctional facility;

(4) providing a mental health facility; ~~or~~

(5) providing a regional health facility; ~~or~~

**(6) providing communications system infrastructure.**

"Person" means an individual, a partnership, a corporation, a limited liability company, an unincorporated association, or a governmental entity.

"Regional health facility" means a building, a structure, or an improvement for the care, maintenance, or treatment of adults or children with mental illness, developmental disabilities, addictions, or other medical or rehabilitative needs.

"State agency" means an authority, a board, a commission, a committee, a department, a division, or other instrumentality of state government, but does not include a state educational institution (as defined in IC 20-12-0.5-1).

SECTION 3. IC 4-13.5-1-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 6. **Subject to section 8 of this chapter**, the commission may not enter into:

(1) a contract for the performance of work, other than a contract of employment with a professional person or a commission

employee; or

(2) a contract for the purchase or sale of materials or supplies; without complying with IC 4-13-2 and the rules and procedures of the department.

SECTION 4. IC 4-13.5-1-8, AS AMENDED BY P.L.195-2001, SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 8. (a) The commission may employ architects, engineers, space planners, construction managers, and other professional persons it considers necessary to prepare complete plans and specifications necessary for bidding for construction. The commission shall consider economy of operation to the extent practicable in preparing and approving plans and specifications.

(b) The plans and specifications shall be presented for approval to:

(1) the department;

(2) if the facility is designed to house the supreme court or court of appeals, the administrator of the supreme court for approval by the courts; ~~and~~

(3) if the facility is a correctional facility, the department of correction; ~~and~~

**(4) if the facility consists of communications system infrastructure, the integrated public safety commission.**

(c) After the plans and specifications have been approved by the commission under subsection (b), the commission shall advertise for and receive construction bids and award contracts to the best bidders in the same manner as required by law for the department. **However, with respect to a facility that consists of communications system infrastructure, if the commission finds that the integrated public safety commission has already advertised for and received construction bids or awarded contracts to the best bidders, or both, substantially in the same manner as required by law for the Indiana department of administration, the commission is not required to repeat the advertisement, receipt of bids, or award of contracts. In making the finding described in this subsection, the commission may rely upon a certificate of the integrated public safety commission. If the commission makes the finding described in this subsection, that is all the authority the commission needs to accept the assignment of the bids or contracts or both, from the integrated public safety commission, and all the authority the integrated public safety commission needs to assign the bids or contracts, or both, to the commission.**

(d) With regard to participation by minority and women's business enterprises (as defined in IC 4-13-16.5-1 and IC 4-13-16.5-1.3), the commission shall act in the same manner as required by law for the department."

Page 8, line 9, delete "However,".

Page 8, delete lines 10 through 13.

Page 8, between lines 34 and 35, begin a new paragraph and insert:

"SECTION 11. IC 5-26-3-6, AS ADDED BY P.L.117-1999, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 6. (a) In addition to the powers enumerated in IC 5-26-2-5, the commission has the following powers related to the system:

(1) Ensuring that federal and state communications requirements are followed.

(2) Providing system planning, including mutual aid planning and compatibility planning with other public safety agency communications systems.

(3) Creating a standard user agreement.

(4) Providing assistance to local public safety agencies in making equipment purchases.

(5) Assessing charges for using the system.

**(6) Entering into and performing use and occupancy agreements concerning the system under IC 4-13.5.**

(7) Exercising any power necessary to carry out this chapter.

(b) The Indiana statewide wireless public safety voice and data communications system may use the facilities of commercial mobile radio service providers (as defined in 47 USC 332). If the commission chooses to contract with one or more commercial mobile radio service providers to provide the system, the commission may delegate the responsibilities in subsection (a) to the commercial

mobile radio service providers.

SECTION 12. IC 5-26-4-1, AS ADDED BY P.L.117-1999, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 1. (a) The integrated public safety communications fund is established to be used only to carry out the purposes of this article. The fund shall be administered by the commission.

(b) The fund consists of:

- (1) appropriations from the general assembly;
- (2) gifts;
- (3) federal grants;
- (4) fees and contributions from user agencies that the commission considers necessary to maintain and operate the system; and
- (5) money from any other source permitted by law.

(c) The treasurer of state shall invest the money in the fund not currently needed to meet the obligations of the fund in the same manner as other public funds may be invested. Interest that accrues from these investments shall be deposited in the fund.

(d) Money in the fund at the end of a state fiscal year does not revert to the state general fund.

(e) If federal funds are not sufficient to pay for the system, the commission shall transfer money from the fund to the communications system infrastructure fund established by IC 5-26-5-4 in amounts sufficient to pay rentals and other obligations under use and occupancy agreements or other contracts or leases relating to the financing of the system under IC 4-13.5.

SECTION 13. IC 5-26-4-2 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 2. The money in the fund is annually appropriated as follows:

(1) To the commission, for its use, subject to the approval of the budget agency, in the acquisition, construction, equipping, operation, maintenance, and financing of the system and state user equipment for the system, including the payment of rentals and other obligations under use and occupancy agreements or other contracts or leases relating to the financing of the system under IC 4-13.5.

(2) To the state police department, such amounts as determined by the budget agency that are sufficient to enable the state police crime laboratory to address any backlog of cases to be processed by the laboratory. The appropriations under this subdivision are subject to the payment of rentals and other obligations under use and occupancy agreements or other contracts or leases relating to the financing of the system under IC 4-13.5.

SECTION 14. IC 5-26-5 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]:

#### Chapter 5. Communications System Infrastructure Fund

Sec. 1. As used in this chapter, "communications system infrastructure" means all or part of the infrastructure of the system described in IC 5-26-3, including:

- (1) towers and the associated land, improvements, foundations, access roads and rights-of-way, structures, fencing, and equipment necessary, proper, or convenient to enable the tower to function as part of the system;
- (2) the radio and network equipment necessary, proper, or convenient to transmit and receive voice and data communications; and
- (3) any other necessary, proper, or convenient elements of the system.

Sec. 2. As used in this chapter, "construction" means the erection, renovation, refurbishing, or alteration of all or any part of buildings, improvements, or other structures, including installation of fixtures or equipment, landscaping of grounds, site work, and providing for other ancillary facilities pertinent to the buildings or structures.

Sec. 3. As used in this chapter, "infrastructure fund" refers to the communications system infrastructure fund.

Sec. 4. The communications system infrastructure fund is established for the purpose of providing communications system infrastructure. The infrastructure fund consists of distributions received under IC 5-26-4-1(e).

Sec. 5. The infrastructure fund shall be administered by the commission. The treasurer of state shall invest the money in the infrastructure fund not currently needed to meet the obligations of the infrastructure fund in the same manner as other public funds may be invested.

Sec. 6. Money in the infrastructure fund at the end of a state fiscal year does not revert to the state general fund.

Sec. 7. The commission may use the money in the infrastructure fund only to pay the following:

- (1) The cost of construction of communications system infrastructure.
- (2) The cost of acquisition or leasing of all real or personal property required for the construction of communications system infrastructure.
- (3) The cost of operation and maintenance of communications system infrastructure.
- (4) The cost of demolishing or removing any buildings, structures, or improvements on property acquired by the commission for the construction of communications system infrastructure.
- (5) Engineering and legal expenses, other professional services, and the costs of plans, specifications, surveys, estimates, and any necessary feasibility studies.
- (6) Payment of rentals and other obligations and performance of other obligations under use and occupancy agreements or other contracts or leases relating to the financing of communications system infrastructure under IC 4-13.5.

Sec. 8. The commission shall pay its obligations under any use and occupancy agreement or any other contract or lease with the state office building commission from money deposited in the infrastructure fund before making any other disbursement or expenditure of the money.

Sec. 9. There is annually appropriated to the commission the money in the infrastructure fund for its use, subject to the approval of the budget agency, in carrying out the purposes described in section 7 of this chapter."

Page 10, between lines 13 and 14, begin a new paragraph and insert:

"SECTION 17. IC 9-29-3-23 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 23. (a) Except as provided in subsections (b) and (c) or as otherwise provided in this chapter, the service charges collected under this chapter shall be deposited in the state license branch fund established under IC 9-29-14.

(b) Before July 1, 2019, one dollar and twenty-five cents (\$1.25) of each service charge increase established by a rule adopted under section 19 of this chapter before January 1, 2002, for services described in sections 4, 6, 7, 8, 9, 10, 11, 12, 14, and 18 of this chapter shall be deposited in the integrated public safety communications fund established by IC 5-26-4-1. After June 30, 2019, the amount described in this subsection shall be deposited in the state license branch fund as provided in subsection (a).

(c) Before July 1, 2019, one dollar and twenty-five cents (\$1.25) of each service charge established by a rule adopted under section 19 of this chapter before January 1, 2002, for services described in IC 9-29-15-1 shall be deposited in the integrated public safety communications fund established by IC 5-26-4-1. After June 30, 2019, the amount described in this subsection shall be deposited in the state license branch fund as provided in subsection (a)."

Page 11, delete lines 34 through 42.

Delete page 12.

Page 13, delete lines 1 through 4.

Page 16, delete lines 8 through 42.

Delete pages 17 through 18.

Page 19, delete lines 1 through 34.

Page 26, line 19, delete "P.L.17-2001," and insert "HEA 1010-2002,".

Page 26, line 20, after "SECTION" delete "9," and insert "1,".

Page 28, between lines 11 and 12, begin a new line block indented and insert:

"(10) Any equipment used or intended for use in preparing, photographing, recording, videotaping, digitizing, printing, copying, or disseminating matter in violation of IC 35-42-4-4."

Page 28, line 12, delete "(10)" and insert "(11)".

Page 28, between lines 19 and 20, begin a new paragraph and insert:

"(c) Equipment under subsection (a)(10) may not be seized unless it can be proven by a preponderance of the evidence that the owner of the equipment knowingly permitted the equipment to be used to engage in conduct that subjects it to seizure under subsection (a)(10)."

Page 28, line 20, delete "(c)" and insert "(d)".

Page 30, delete lines 17 through 21.

Page 31, delete lines 19 through 42.

Delete page 32.

Page 33, delete lines 1 through 15.

Page 35, delete lines 23 through 42.

Delete page 36.

Page 37, delete lines 1 through 8.

Page 40, line 42, strike "sections" and insert "section".

Page 41, delete lines 24 through 42.

Page 42, delete lines 1 through 15.

Page 42, line 23, delete "knows or should know" and insert "**has reason to believe**".

Page 52, line 34, delete "or" and insert "**nor**".

Page 54, line 5, delete "knows or should know" and insert "**has reason to believe**".

Page 60, delete lines 2 through 9, begin a new paragraph and insert:

"SECTION 61. [EFFECTIVE JULY 1, 2002] **(a) The general assembly finds that the state needs the construction, equipping, purchasing, leasing, renovation, refurbishing, or alteration of communications system infrastructure (as defined in IC 5-26-5-1, as added by this act).**

**(b) The general assembly finds that the state will have a continuing need for use and occupancy of the communications system infrastructure described in subsection (a). The general assembly authorizes the state office building commission to provide the communications system infrastructure described in subsection (a) under IC 4-13.5-1 and IC 4-13.5-4, including the borrowing of money or the issuance and sale of bonds, or both, under IC 4-13.5-4.**

SECTION 62. [EFFECTIVE JULY 1, 2002] **(a) As used in this SECTION, "applicable statute" refers to the following:**

**(1) IC 9-29-3-4.**

**(2) IC 9-29-3-6.**

**(3) IC 9-29-3-7.**

**(4) IC 9-29-3-8.**

**(5) IC 9-29-3-9.**

**(6) IC 9-29-3-10.**

**(7) IC 9-29-3-11.**

**(8) IC 9-29-3-12.**

**(9) IC 9-29-3-14.**

**(10) IC 9-29-3-18.**

**(11) IC 9-29-15-1.**

**(b) There is appropriated from the state license branch fund to the integrated public safety communications fund established by IC 5-26-4-1 an amount equal to the result obtained in STEP TWO of the following formula:**

**STEP ONE: Determine the number of transactions under an applicable statute after December 31, 2001, and before July 1, 2002.**

**STEP TWO: Multiply the number determined in STEP ONE by one dollar and twenty-five cents (\$1.25).**

**(c) This SECTION expires July 1, 2003."**

Renumber all SECTIONS consecutively.

(Reference is to EHB 1001 as reprinted February 26, 2002.)

GREGG

WYSS

MURPHY

R. YOUNG

House Conferees

Senate Conferees

The conference committee report was filed and read a first time.

#### CONFERENCE COMMITTEE REPORT

ESB 71-1; filed March 14, 2002, at 4:11 p.m.

Mr. Speaker: Your Conference Committee appointed to confer with a like committee from the Senate upon Engrossed House Amendments to Engrossed Senate Bill 71 respectfully reports that said two committee have conferred and agreed as follows to wit:

that the Senate recede from its dissent from all House amendments and that the Senate now concur in all House amendments to the bill and that the bill be further amended as follows:

Replace the effective date in SECTION 1 with "[EFFECTIVE UPON PASSAGE]".

Page 6, delete lines 7 through 42, begin a new paragraph and insert:

"SECTION 4. **An emergency is declared for this act.**".

Delete pages 7 through 93.

(Reference is to ESB 71 as reprinted February 26, 2002.)

HARRISON

WEINZAPFEL

ANTICH

WHETSTONE

Senate Conferees

House Conferees

The conference committee report was filed and read a first time.

#### CONFERENCE COMMITTEE REPORT

ESB 107-1; filed March 14, 2002, at 4:12 p.m.

Mr. Speaker: Your Conference Committee appointed to confer with a like committee from the Senate upon Engrossed House Amendments to Engrossed Senate Bill 107 respectfully reports that said two committee have conferred and agreed as follows to wit:

that the Senate recede from its dissent from all House amendments and that the Senate now concur in all House amendments to the bill and that the bill be further amended as follows:

Delete the title and insert the following:

A BILL FOR AN ACT concerning health.

Page 1, delete lines 1 through 17.

Delete pages 2 through 4.

Page 5, delete lines 1 through 10.

Page 5, line 22, delete "2004." and insert "**2005.**".

Page 6, line 35, delete "Except for a federal Medicaid waiver, the" and insert "The".

Page 6, line 40, delete "2004." and insert "**2005.**".

Page 6, delete lines 41 through 42.

Delete page 7.

Page 8, delete lines 1 through 19.

Renumber all SECTIONS consecutively.

(Reference is to ESB 107 reprinted February 26, 2002.)

RIEGSECKER

C. BROWN

SIPES

BECKER

Senate Conferees

House Conferees

The conference committee report was filed and read a first time.

#### CONFERENCE COMMITTEE REPORT

EHB 1257-1; filed March 14, 2002, at 4:46 p.m.

Mr. Speaker: Your Conference Committee appointed to confer with a like committee from the Senate upon Engrossed Senate Amendments to Engrossed House Bill 1257 respectfully reports that said two committee have conferred and agreed as follows to wit:

that the House recede from its dissent from all Senate amendments and that the House now concur in all Senate amendments to the bill and that the bill be further amended as follows:

Page 1, between the enacting clause and line 1, begin a new paragraph and insert:

"SECTION 1. IC 5-1.4-1-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 10. "Qualified entity" means the following:

- (1) A city.
- (2) A county.
- (3) A special taxing district located wholly within a county.
- (4) Any entity whose tax levies are subject to review and modification by a city-county legislative body under IC 36-3-6-9.
- (5) A political subdivision (as defined in IC 36-1-2-13) that is located wholly within a county:
  - (A) that has a population of:
    - (i) more than four hundred thousand (400,000) but less than seven hundred thousand (700,000); or
    - (ii) more than two hundred thousand (200,000) but less than three hundred thousand (300,000); or
  - (B) containing a city that:
    - (i) is described in section 5(3) of this chapter; and
    - (ii) has a public improvement bond bank under this article.

(6) **A charter school established under IC 20-5.5 that is sponsored by the executive of a consolidated city.**

(7) Any authority created under IC 36 that leases land or facilities to any qualified entity listed in subdivisions (1) through (5); (6).

SECTION 2. IC 5-1.5-1-8, AS AMENDED BY P.L.132-1999, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 8. "Qualified entity" means:

- (1) a political subdivision (as defined in IC 36-1-2-13);
- (2) a state educational institution (as defined in IC 20-12-0.5-1(b));
- (3) a leasing body (as defined in IC 5-1-1-1(a));
- (4) a not-for-profit utility (as defined in IC 8-1-2-125);
- (5) any rural electric membership corporation organized under IC 8-1-13;
- (6) any corporation that was organized in 1963 under Acts 1935, c. 157 and that engages in the generation and transmission of electric energy;
- (7) any telephone cooperative corporation formed under IC 8-1-17;
- (8) any commission, authority, or authorized body of any qualified entity;
- (9) any organization, association, or trust with members, participants, or beneficiaries that are all individually qualified entities;
- (10) any commission, authority, or instrumentality of the state; or
- (11) any other participant (as defined in IC 13-11-2-151.1); or
- (12) **a charter school established under IC 20-5.5 that is not a qualified entity under IC 5-1.4-1-10."**

Page 1, line 1, delete "P.L.185-2001," and insert "SEA 216-2002, SECTION 18,".

Page 1, delete lines 2 through 3.

Page 1, line 4, delete "AND CORRECTED" and insert "IS AMENDED".

Page 1, delete lines 7 through 12.

Page 1, line 13, delete "(3)".

Page 1, line 13, reset in roman "(1)".

Page 1, line 17, delete "(4)".

Page 1, line 17, reset in roman "(2)".

Page 2, line 3, delete "(5)".

Page 2, line 3, reset in roman "(3)".

Page 2, line 4, reset in roman "IC 36-1-8-14.2,".

Page 2, line 4, delete "or".

Page 2, line 5, reset in roman "IC 36-2-6-22, or".

Page 3, after line 16, begin a new paragraph and insert:

"SECTION 5. **An emergency is declared for this act.**".

Renumber all SECTIONS consecutively.

(Reference is to EHB 1257 as printed February 22, 2002.)

CRAWFORD	M. YOUNG
BEHNING	HOWARD
House Conferees	Senate Conferees

The conference committee report was filed and read a first time.

# CONFERENCE COMMITTEE REPORT

EHB 1088-1; filed March 14, 2002, at 4:47 p.m.

Mr. Speaker: Your Conference Committee appointed to confer with a like committee from the Senate upon Engrossed Senate Amendments to Engrossed House Bill 1088 respectfully reports that said two committee have conferred and agreed as follows to wit:

that the House recede from its dissent from all Senate amendments and that the House now concur in all Senate amendments to the bill and that the bill be further amended as follows:

Delete everything after the enacting clause and insert the following:

SECTION 1. IC 6-1.1-4-27.5, AS AMENDED BY SEA 357-2002, SECTION 42, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 27.5. (a) The auditor of each county shall establish a property reassessment fund. The county treasurer shall deposit all collections resulting from the property taxes that the county is required to levy under this section in the county's property reassessment fund.

(b) With respect to the general reassessment of real property which is to commence on July 1, 2004, the county council of each county shall, for property taxes due in the year in which the general reassessment is to commence and the two (2) years immediately preceding that year, levy against all the taxable property of the county an amount equal to one-third (1/3) of the estimated cost of the general reassessment.

(c) With respect to a general reassessment of real property that is to commence on July 1, 2008, and each fourth year thereafter, the county council of each county shall, for property taxes due in the year that the general reassessment is to commence and the three (3) years preceding that year, levy against all the taxable property in the county an amount equal to one-fourth (1/4) of the estimated cost of the general reassessment.

(d) The department of local government finance shall give to each county council notice, before January 1 **in a year**, of the tax levies required by this section **for that year**.

(e) The department of local government finance may raise or lower the property ~~taxes levied~~ **tax levy** under this section for a year if the department determines it is appropriate because the estimated cost of ~~the a~~ general reassessment, **including a general reassessment to be completed for the March 1, 2002, assessment date**, has changed.

(f) If the county council determines that there is insufficient money in the county's reassessment fund to pay all expenses (as permitted under ~~section 28~~ **sections 28.5 and 32** of this chapter) relating to the general reassessment of real property commencing July 1, 2000, the county may, for the purpose of paying expenses (as permitted under ~~section 28~~ **sections 28.5 and 32** of this chapter) relating to the general reassessment commencing July 1, 2000, use money deposited in the fund from ~~taxes levied in the tax levy under this section~~ **for 2000 or a later year**.

SECTION 2. IC 6-1.1-4-32, AS AMENDED BY SEA 357-2002, SECTION 45, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 32. (a) **As used in this section, "contract" refers to a contract entered into under this section.**

**(b) As used in this section, "contractor" refers to a firm that enters into a contract with the department of local government finance under this section.**

(c) As used in this section, "qualifying county" means a county having a population of more than four hundred thousand (400,000) but less than seven hundred thousand (700,000).

~~(b)~~ **(d)** Notwithstanding sections 15 and 17 of this chapter, a township assessor in a qualifying county may not appraise property, or have property appraised, for the general reassessment of real property to be completed for the March 1, 2002, assessment date. Completion of that general reassessment in a qualifying county is instead governed by this section. The only duty of:

(1) a township assessor in a qualifying county; or

(2) a county assessor of a qualifying county;

with respect to that general reassessment is to provide to the department of local government finance or the department's contractor under subsection ~~(e)~~ **(e)** any support and information



requested by the department or the contractor. **This subsection expires June 30, 2004.**

~~(c)~~ (e) The department of local government finance shall select and contract with a ~~nationally recognized~~ certified public accounting firm with expertise in the appraisal of real property to appraise property for the general reassessment of real property in a qualifying county to be completed for the March 1, 2002, assessment date. **The department of local government finance may enter into additional contracts to provide software or other auxiliary services to be used for the appraisal of property for the general reassessment.** The contract applies for the appraisal of land and improvements with respect to all classes of real property in the qualifying county. The contract must include:

- (1) a provision requiring the appraisal firm to:
  - (A) prepare a detailed report of:
    - (i) expenditures made after July 1, 1999, and before the date of the report from the qualifying county's reassessment fund under section 28 of this chapter **(repealed)**; and
    - (ii) the balance in the reassessment fund as of the date of the report; and
  - (B) file the report with:
    - (i) the legislative body of the qualifying county;
    - (ii) the prosecuting attorney of the qualifying county;
    - (iii) the department of local government finance; and
    - (iv) the attorney general;
- (2) a fixed date by which the appraisal firm must complete all responsibilities under the contract;
- (3) **subject to subsection (t),** a provision requiring the appraisal firm to use the land values determined for the qualifying county under section 13.6 of this chapter;
- (4) a penalty clause under which the amount to be paid for appraisal services is decreased for failure to complete specified services within the specified time;
- (5) a provision requiring the appraisal firm to make periodic reports to the department of local government finance;
- (6) a provision stipulating the manner in which, and the time intervals at which, the periodic reports referred to in subdivision (5) are to be made;
- (7) a precise stipulation of what service or services are to be provided;
- (8) a provision requiring the appraisal firm to deliver a report of the assessed value of each parcel in a township in the qualifying county to the department of local government finance; and
- (9) any other provisions required by the department of local government finance.

**After December 31, 2001, the department of local government finance has all the powers and duties of the state board of tax commissioners provided under a contract entered into under this subsection (as effective before January 1, 2002) before January 1, 2002. The contract is valid to the same extent as if it were entered into by the department of local government finance. However, a reference in the contract to the state board of tax commissioners shall be treated as a reference to the department of local government finance. The contract shall be treated for all purposes, including the application of IC 33-3-5-2.5, as the contract of the department of local government finance. If the department of local government finance terminates a contract before completion of the work described in this subsection, the department shall contract for completion of the work as promptly as possible under IC 5-22-6. This subsection expires June 30, 2004.**

~~(d)~~ (f) At least one (1) time each month, the contractors that will make physical visits to the site of real property for reassessment purposes shall publish a notice under IC 5-3-1 describing the areas that are scheduled to be visited within the next thirty (30) days and explaining the purposes of the visit. The notice shall be published in a way to promote understanding of the purposes of the visit in the affected areas. After receiving the report of assessed values from the appraisal firm **acting under a contract described in subsection (e),** the department of local

government finance shall give notice to the taxpayer and the county assessor, by mail, of the amount of the reassessment. The notice of reassessment is subject to appeal by the taxpayer to the Indiana board. The procedures and time limitations that apply to an appeal to the Indiana board of a determination of the department of local government finance apply to an appeal under this subsection. A determination by the Indiana board of an appeal under this subsection is subject to appeal to the tax court under IC 6-1.1-15. **This subsection expires on the later of June 30, 2004, or the date a final determination is entered in the last pending appeal filed under this subsection.**

**(g) In order to obtain a review by the Indiana board under subsection (f), the taxpayer must file a petition for review with the appropriate county assessor within forty-five (45) days after the notice of the department of local government finance is given to the taxpayer under subsection (f). This subsection expires June 30, 2004.**

~~(e)~~ (h) The department of local government finance shall mail the notice required by subsection ~~(d)~~ (f) within ninety (90) days after the department receives the report for a parcel from the professional appraisal firm. **This subsection expires June 30, 2004.**

~~(f)~~ (i) **The qualifying county shall pay the cost of a any contract under this section which shall be paid without appropriation from the county property reassessment fund. of the qualifying county established under section 27 of this chapter. A contractor may periodically submit bills for partial payment of work performed under a contract. However, the maximum amount that the qualifying county is obligated to pay for all contracts entered into under subsection (e) for the general reassessment of real property in the qualifying county to be completed for the March 1, 2002, assessment date is twenty-five million five hundred thousand dollars (\$25,500,000). Notwithstanding any other law, a contractor is entitled to payment under this subsection for work performed under a contract if the contractor:**

- (1) submits, in the form required by IC 5-11-10-1, a fully itemized, certified bill for the costs under the contract of the work performed to the department of local government finance for review;
- (2) obtains from the department of local government finance:
  - (A) approval of the form and amount of the bill; and
  - (B) a certification that the billed goods and services billed for payment have been received and comply with the contract; and
- (3) files with the county auditor of the qualifying county:
  - (A) a duplicate copy of the bill submitted to the department of local government finance;
  - (B) the proof of approval provided by the department of local government finance of the form and amount of the bill that was approved; and
  - (C) the certification provided by the department of local government finance that indicates that the goods and services billed for payment have been received and comply with the contract.

An approval and a certification under subdivision (2) shall be treated as conclusively resolving the merits of the claim. Upon receipt of the documentation described in subdivision (3), the county auditor shall immediately certify that the bill is true and correct without further audit, publish the claim as required by IC 36-2-6-3, and submit the claim to the county executive of the qualifying county. The county executive shall allow the claim, in full, as approved by the department of local government finance without further examination of the merits of the claim in a regular or special session that is held not less than three (3) days and not more than seven (7) days after completion of the publication requirements under IC 36-2-6-3. Upon allowance of the claim by the county executive, the county auditor shall immediately issue a warrant or check for the full amount of the claim approved by the department of local government finance. Compliance with this subsection shall be treated as compliance with section 28.5 of this chapter, IC 5-11-6-1, IC 5-11-10, and IC 36-2-6. The determination and payment of a claim in

**compliance with this subsection is not subject to remonstrance and appeal. IC 36-2-6-4(f) and IC 36-2-6-9 do not apply to a claim under this subsection. IC 5-11-10-1.6(d) applies to a fiscal officer who pays a claim in compliance with this subsection. This subsection expires June 30, 2004.**

~~(g)~~ **(j)** Notwithstanding IC 4-13-2, a period of seven (7) days is permitted for each of the following to review and act under IC 4-13-2 on a contract of the department of local government finance under this section:

- (1) The commissioner of the Indiana department of administration.
- (2) The director of the budget agency.
- (3) The attorney general.
- (4) The governor.

~~(h)~~ **(k)** With respect to a general reassessment of real property to be completed under section 4 of this chapter for an assessment date after the March 1, 2002, assessment date, the department of local government finance shall initiate a review with respect to the real property in a qualifying county or a township in a qualifying county, or a portion of the real property in a qualifying county or a township in a qualifying county. The department of local government finance may contract to have the review performed by an appraisal firm. The department of local government finance or its contractor shall determine for the real property under consideration and for the qualifying county or township the variance between:

- (1) the total assessed valuation of the real property within the qualifying county or township; and
- (2) the total assessed valuation that would result if the real property within the qualifying county or township were valued in the manner provided by law.

~~(i)~~ **(l)** If:

- (1) the variance determined under subsection ~~(h)~~ **(k)** exceeds ten percent (10%); and
- (2) the department of local government finance determines after holding hearings on the matter that a special reassessment should be conducted;

the department shall contract for a special reassessment by an appraisal firm to correct the valuation of the property.

~~(j)~~ **(m)** If the variance determined under subsection ~~(h)~~ **(k)** is ten percent (10%) or less, the department of local government finance shall determine whether to correct the valuation of the property under:

- (1) sections 9 and 10 of this chapter; or
- (2) IC 6-1.1-14-10 and IC 6-1.1-14-11.

~~(k)~~ **(n)** The department of local government finance shall give notice by mail to a taxpayer of a hearing concerning the department's intent to cause the taxpayer's property to be reassessed under this section. The time fixed for the hearing must be at least ten (10) days after the day the notice is mailed. The department of local government finance may conduct a single hearing under this section with respect to multiple properties. The notice must state:

- (1) the time of the hearing;
- (2) the location of the hearing; and
- (3) that the purpose of the hearing is to hear taxpayers' comments and objections with respect to the department of local government finance's intent to reassess property under this chapter.

~~(l)~~ **(o)** If the department of local government finance determines after the hearing that property should be reassessed under this section, the department shall:

- (1) cause the property to be reassessed under this section;
- (2) mail a certified notice of its final determination to the county auditor of the qualifying county in which the property is located; and
- (3) notify the taxpayer by mail of its final determination.

~~(m)~~ **(p)** A reassessment may be made under this section only if the notice of the final determination under subsection ~~(k)~~ **(n)** is given to the taxpayer within the same period prescribed in IC 6-1.1-9-3 or IC 6-1.1-9-4.

~~(n)~~ **(q)** If the department of local government finance contracts for a special reassessment of property under this section, the department shall forward the bill for services of the contractor to the county

auditor, and the qualifying county shall pay the bill, without appropriation, from the county property reassessment fund. A contractor may periodically submit bills for partial payment of work performed under a contract. Notwithstanding any other law, a contractor is entitled to payment under this subsection for work performed under a contract if the contractor:

- (1) submits, in the form required by IC 5-11-10-1, a fully itemized, certified bill for the costs under the contract of the work performed to the department of local government finance for review;
- (2) obtains from the department of local government finance:
  - (A) approval of the form and amount of the bill; and
  - (B) a certification that the billed goods and services billed for payment have been received and comply with the contract; and
- (3) files with the county auditor of the qualifying county:
  - (A) a duplicate copy of the bill submitted to the department of local government finance;
  - (B) the proof of approval provided by the department of local government finance of the form and amount of the bill that was approved; and
  - (C) the certification provided by the department of local government finance that indicates that the goods and services billed for payment have been received and comply with the contract.

An approval and a certification under subdivision (2) shall be treated as conclusively resolving the merits of the claim. Upon receipt of the documentation described in subdivision (3), the county auditor shall immediately certify that the bill is true and correct without further audit, publish the claim as required by IC 36-2-6-3, and submit the claim to the county executive of the qualifying county. The county executive shall allow the claim, in full, as approved by the department of local government finance without further examination of the merits of the claim in a regular or special session that is held not less than three (3) days and not more than seven (7) days after completion of the publication requirements under IC 36-2-6-3. Upon allowance of the claim by the county executive, the county auditor shall immediately issue a warrant or check for the full amount of the claim approved by the department of local government finance. Compliance with this subsection shall be treated as compliance with section 28.5 of this chapter, IC 5-11-6-1, IC 5-11-10, and IC 36-2-6. The determination and payment of a claim in compliance with this subsection is not subject to remonstrance and appeal. IC 36-2-6-4(f) and IC 36-2-6-9 do not apply to a claim under this subsection. IC 5-11-10-1.6(d) applies to a fiscal officer who pays a claim in compliance with this subsection.

~~(o)~~ **(r)** A township assessor in a qualifying county or a county assessor of a qualifying county official (as defined in IC 33-3-5-2.5) shall provide information requested in writing by the department of local government finance or the department's contractor under this section not later than seven (7) days after receipt of the written request from the department or the contractor. If a township assessor or county assessor qualifying official (as defined in IC 33-3-5-2.5) fails to provide the requested information within the time permitted in this subsection, the department of local government finance or the department's contractor may seek an order of the tax court under IC 33-3-5-2.5 for production of the information.

~~(p)~~ **(s)** The provisions of this section are severable in the manner provided in IC 1-1-1-8(b).

**(t)** A contract entered into under subsection (e) is subject to this subsection. A contractor shall use the land values determined for the qualifying county under section 13.6 of this chapter to the extent that the contractor finds that the land values reflect the true tax value of land, as determined under the statutes and the rules of the department of local government finance. If the contractor finds that the land values determined for the qualifying county under section 13.6 of this chapter do not reflect the true tax value of land, the contractor shall determine land values for the qualifying county that reflect the true tax value of land, as determined under the statutes and the

rules of the department of local government finance. The land values determined by the contractor shall be used to the same extent as if the land values had been determined under section 13.6 of this chapter. The contractor shall notify the county assessor and the township assessors in the qualifying county of the land values as modified under this subsection. This subsection expires June 30, 2004.

(u) A contractor acting under a contract under subsection (e) may notify the department of local government finance if:

- (1) the county auditor fails to:
  - (A) certify the bill;
  - (B) publish the claim;
  - (C) submit the claim to the county executive; or
  - (D) issue a warrant or check;

as required in subsection (i) at the first opportunity the county auditor is legally permitted to do so;

- (2) the county executive fails to allow the claim as required in subsection (i) at the first opportunity the county executive is legally permitted to do so; or
- (3) a person or entity authorized to act on behalf of the county takes or fails to take an action, including failure to request an appropriation, and that action or failure to act delays or halts the process under this section for payment of a bill submitted by a contractor under subsection (1).

This subsection expires June 30, 2004.

(v) The department of local government finance, upon receiving notice under subsection (u) from the contractor, shall:

- (1) verify the accuracy of the contractor's assertion in the notice that:

- (A) a failure occurred as described in subsection (b)(1) or (b)(2); or
- (B) a person or entity acted or failed to act as described in subsection (b)(3); and

- (2) provide to the treasurer of state the department of local government finance's approval under subsection (1)(2)(A) of the bill with respect to which the contractor gave notice under subsection (u).

This subsection expires June 30, 2004.

(w) Upon receipt of the approval of the department of local government finance under subsection (v), the treasurer of state shall pay the contractor the amount of the bill approved by the department of local government finance from money in the possession of the state that would otherwise be available for distribution to the qualifying county, including distributions from the property tax replacement fund or distributions of admissions taxes or wagering taxes. This subsection expires June 30, 2004.

(x) The treasurer of state shall withhold from the part attributable to the county of the next distribution to the county treasurer under IC 4-33-12-6, IC 4-33-13-5, IC 6-1.1-21-4(b), or another law the amount of any payment made by the treasurer of state to the contractor under subsection (w). Money shall be deducted first from money payable under IC 6-1.1-21-4(b) and then from all other funds payable to the qualifying county. This subsection expires June 30, 2004.

(y) Compliance with subsections (u) through (x) shall be treated as compliance with IC 5-11-10. This subsection expires June 30, 2004.

(z) IC 5-11-10-1.6(d) applies to the treasurer of state with respect to the payment made in compliance with subsections (u) through (x). This subsection and subsections (u) through (y) shall be interpreted liberally so that the state shall, to the extent legally valid, ensure that the contractual obligations of a county under this section are paid. Nothing in this subsection or subsections (u) through (y) shall be construed to create a debt of the state. This subsection expires June 30, 2004.

SECTION 3. IC 33-3-5-2.5, AS AMENDED BY SEA 216-2002, SECTION 131, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2.5. (a) As used in this section, "qualifying county" means a county having a population of more than four hundred thousand (400,000) and less than seven hundred thousand (700,000).

(b) As used in this section, "contractor" means ~~the~~ a general reassessment, general reassessment review, or special reassessment contractor of the department of local government finance under IC 6-1.1-4-32.

(c) As used in this section, "qualifying official" refers to any of the following:

- (1) A county assessor of a qualifying county.
- (2) A township assessor of a qualifying county.
- (3) The county auditor of a qualifying county.
- (4) The treasurer of a qualifying county.
- (5) The county surveyor of a qualifying county.
- (6) A member of the land valuation committee in a qualifying county.
- (7) Any other township or county official in a qualifying county who has possession or control of information necessary or useful for a general reassessment, general reassessment review, or special reassessment of property to which IC 6-1.1-4-32 applies, including information in the possession or control of an employee or a contractor of the official.
- (8) Any county official in a qualifying county who has control, review, or other responsibilities related to paying claims of a contractor submitted for payment under IC 6-1.1-4-32.

- (d) Upon petition from
  - (1) the department of local government finance or
  - (2) the a contractor,

the tax court may order a township assessor in a qualifying county or a county assessor of a qualifying county ~~qualifying official~~ to produce information requested in writing from the township assessor or county assessor ~~qualifying official~~ by the department of local government finance or the contractor.

(~~(d)~~ (e) If the tax court orders a township assessor or county assessor ~~qualifying official~~ to provide requested information as described in subsection (~~e~~), (d), the tax court shall order production of the information not later than fourteen (14) days after the date of the tax court's order.

(~~(e)~~ (f) The tax court may find that any willful violation of this section by a township assessor or county assessor ~~qualifying official~~ constitutes a direct contempt of the tax court.

SECTION 4. IC 34-6-2-38, AS AMENDED BY P.L.250-2001, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 38. (a) "Employee" and "public employee", for purposes of section 91 of this chapter, IC 34-13-2, IC 34-13-3, IC 34-13-4, and IC 34-30-14, mean a person presently or formerly acting on behalf of a governmental entity, whether temporarily or permanently or with or without compensation, including members of boards, committees, commissions, authorities, and other instrumentalities of governmental entities, volunteer firefighters (as defined in IC 36-8-12-2), and elected public officials.

(b) The term also includes attorneys at law whether employed by the governmental entity as employees or independent contractors and physicians licensed under IC 25-22.5 and optometrists who provide medical or optical care to confined offenders (as defined in IC 11-8-1) within the course of their employment by or contractual relationship with the department of correction. However, the term does not include:

- (1) an independent contractor (other than an attorney at law, a physician, or an optometrist described in this section);
- (2) an agent or employee of an independent contractor;
- (3) a person appointed by the governor to an honorary advisory or honorary military position; or
- (4) a physician licensed under IC 25-22.5 with regard to a claim against the physician for an act or omission occurring or allegedly occurring in the physician's capacity as an employee of a hospital.

(c) A physician licensed under IC 25-22.5 who is an employee of a governmental entity (as defined in IC 34-6-2-49) shall be considered a public employee for purposes of IC 34-13-3-3(21).

(d) For purposes of IC 34-13-3 and IC 34-13-4, the term includes a person that engages in an act or omission before July 1, 2004, in the person's capacity as:

- (1) a contractor under IC 6-1.1-4-32;
- (2) an employee acting within the scope of the employee's duties for a contractor under IC 6-1.1-4-32;
- (3) a subcontractor of the contractor under IC 6-1.1-4-32 that is acting within the scope of the subcontractor's duties; or
- (4) an employee of a subcontractor described in subdivision (3) that is acting within the scope of the employee's duties.

**SECTION 5. An emergency is declared for this act.**

Renumber all SECTIONS consecutively.

(Reference is to EHB 1088 as printed February 22, 2002.)

DOBIS	ALTING
M. SMITH	LANANE
House Conferees	Senate Conferees

The conference committee report was filed and read a first time.

**CONFERENCE COMMITTEE REPORT**  
**EHB 1292-1; filed March 14, 2002, at 4:49 p.m.**

Mr. Speaker: Your Conference Committee appointed to confer with a like committee from the Senate upon Engrossed Senate Amendments to Engrossed House Bill 1292 respectfully reports that said two committee have conferred and agreed as follows to wit:

that the House recede from its dissent from all Senate amendments and that the House now concur in all Senate amendments to the bill and that the bill be further amended as follows:

Page 2, line 10, strike "by the treasurer".

Page 2, line 10, delete "of state".

Page 3, line 7, after "his" delete "or".

Page 4, between lines 24 and 25, begin a new paragraph and insert:

"SECTION 7. IC 32-8-11-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 10. (a) This chapter does not limit:

- (1) the right to assign, mortgage, or pledge the rents and profits arising from real estate;
- (2) the right of an assignee, a mortgagee, or a pledgee to collect rents and profits for application in accordance with an assignment, a mortgage, or a pledge; or
- (3) the power of a court of equity to appoint a receiver to take charge of real estate to collect rents and profits for application in accordance with an assignment, a mortgage, or a pledge.

(b) A person may enforce an assignment, a mortgage, or a pledge of rents and profits arising from real property:

- (1) whether the person has or does not have possession of the real estate; and
- (2) regardless of the:
  - (A) adequacy of the security; or
  - (B) solvency of the assignor, mortgagor, or pledgor.

(c) If a person:

- (1) enforces an assignment, a mortgage, or a pledge of rents and profits arising from real estate; and
- (2) does not have possession of the real estate;

the obligations of a mortgagee in possession of real estate may not be imposed on the holder of the assignment, mortgage, or pledge.

(d) Except for those instances involving liens defined in IC 32-8-3-1, a mortgagee seeking equitable subrogation with respect to a lien may not be denied equitable subrogation solely because:

- (1) the mortgagee:
  - (A) is engaged in the business of lending; and
  - (B) had constructive notice of the intervening lien over which the mortgagee seeks to assert priority;
- (2) the lien for which the mortgagee seeks to be subrogated was released; or
- (3) the mortgagee obtained a title insurance policy.

SECTION 8. IC 32-8-15.5-17, AS ADDED BY P.L.207-2001, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 17. (a) This chapter applies to the release of a mortgage after June 30, 2001, and before July 1, 2002, July 1, 2003, regardless of when the mortgage was created or assigned.

(b) This chapter expires July 1, 2003."

Page 9, line 1, strike "The report required by subsection (a) must be filed as follows:" and insert "The attorney general shall adopt rules establishing the date by which a report required by subsection (a) must be filed."

Page 9, strike lines 2 through 7.

Page 14, after line 18, begin a new paragraph and insert:

"SECTION 19. IC 32-30-15 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]:

**Chapter 15. Actions Involving State Liens**

**Sec. 1. If:**

- (1) the state has a lien or other encumbrance on real property; and
- (2) an action is brought concerning a lien or other encumbrance on the real property that has greater priority than the state's lien or encumbrance, including an action:
  - (A) involving foreclosure of the prior lien or encumbrance; or
  - (B) that otherwise affects the lien or encumbrance of the state;

the lien or encumbrance of the state and its priority may be considered in the action and decided by the court.

Sec. 2. (a) In an action described in section 1 of this chapter, notice shall be sent to the state that contains the following:

- (1) The names of the parties.
  - (2) A description of the lien or encumbrance of the state.
  - (3) The date by which the state must answer. However, the time in which the state is required to answer must be the same as the time allowed for defendants who receive personal service in Indiana to file answers.
  - (4) If the lien or encumbrance is for an inheritance tax, the following, if known:
    - (A) The name of the decedent.
    - (B) The date of the individual's death.
    - (C) The state and county in which the individual resided on the date of death.
    - (D) The names and addresses:
      - (i) of the decedent's personal representatives; or
      - (ii) if personal representatives have not been appointed, of the decedent's heirs at law.
  - (5) If the lien or encumbrance involves:
    - (A) unpaid corporate taxes; or
    - (B) interest, costs, or penalties imposed on unpaid corporate taxes;
- the name of the corporation that is required to pay the corporate taxes.
- (b) The plaintiff, the plaintiff's attorney, or the court clerk shall issue the notice.

(c) If the lien or encumbrance of the state is for:

- (1) a tax payable to the state or for any other right or claim of the state, the notice shall be served on the attorney general; or
- (2) a recognizance entered into or a criminal conviction entered in a county in Indiana, the notice shall be served on the prosecuting attorney of the county in which the recognizance was entered into or the criminal conviction was entered.

(d) The notice must be accompanied by a copy of the complaint.

Sec. 3. (a) The state is not required to answer the notice described in section 2 of this chapter or the complaint attached to the notice.

(b) If the state fails to answer a notice described in section 2 of this chapter or the complaint attached to the notice, the failure may not be considered:

- (1) a waiver of any rights the state may have at law;
- (2) grounds for a default judgment against the state; or
- (3) grounds for summary judgment or any other dispositive judgment that otherwise extinguishes the state's lien or encumbrance.

**Sec. 4. (a) If the state answers a notice described in section 2 of this chapter or otherwise appears before the court in the case:**

- (1) the action shall proceed as in other cases; and
- (2) a judgment in the case binds the state, and the lien or other encumbrance of the state may be released in the same manner as if the judgment had been entered against an individual.

**(b) If the state does not answer the notice described in section 2 of this chapter or the complaint attached to the notice or does not otherwise appear before the court in the case:**

- (1) the action shall proceed as in other cases; and
- (2) the lien or other encumbrance of the state identified in the complaint shall be:
  - (A) explicitly recognized in its proper priority in any order of the court that affects the lien or other encumbrance of the state; and
  - (B) paid out of any surplus remaining after liens or other encumbrances that are superior to the lien or encumbrance of the state are paid.

**(c) In an action to quiet title obtained by a tax deed issued as a result of a sale for taxes or another municipal lien, or in an action involving strict foreclosure, a judgment may be entered that extinguishes a lien or other encumbrance of the state on the real property described in the complaint if:**

- (1) the state does not answer;
- (2) a disclaimer is filed by the state; or
- (3) the court determines that any part of the lien for the taxes or other municipal lien that is foreclosed is superior to the lien or encumbrance of the state."

Renumber all SECTIONS consecutively.

(Reference is to EHB 1292, as reprinted February 26, 2002.)

STURTZ	BRAY
FOLEY	ALEXA
House Conferees	Senate Conferees

The conference committee report was filed and read a first time.

**CONFERENCE COMMITTEE REPORT**  
ESB 401-1; filed March 14, 2002, at 4:50 p.m.

Mr. Speaker: Your Conference Committee appointed to confer with a like committee from the Senate upon Engrossed House Amendments to Engrossed Senate Bill 401 respectfully reports that said two committee have conferred and agreed as follows to wit:

that the Senate recede from its dissent from all House amendments and that the Senate now concur in all House amendments to the bill and that the bill be further amended as follows:

Page 2, delete lines 24 through 27.

Page 3, line 22, delete "includes" and insert "does not include".

Page 3, delete lines 23 through 42.

Delete pages 4 through 5.

Page 6, delete lines 1 through 28.

Page 6, line 30, delete "A" and insert "Except as provided in **section 3.5 of this chapter, a**".

Page 6, line 32, reset in roman "streets, and".

Page 6, line 35, delete "After a request has been made at a public meeting or by".

Page 6, delete lines 36 through 42.

Page 7, delete lines 1 through 6.

Page 7, line 7, delete "(c)".

Run in page 6, line 35 and page 7, line 7.

Page 7, delete lines 10 through 42.

Page 8, delete lines 1 through 9, begin a new paragraph and insert: "SECTION 6. IC 9-21-1-3.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 3.5. A local authority may not adopt by ordinance any prohibition against or restriction on the use of an electric personal assistive mobility device operated on a path set aside for the exclusive use of bicycles as set forth in IC 9-21-11-1(b).**"

Page 8, delete lines 25 through 29, begin a new paragraph and insert:

"SECTION 9. IC 9-30-7-0.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 0.5. This chapter does not apply to the operator of an electric personal assistive mobility device.**

SECTION 10. [EFFECTIVE UPON PASSAGE] (a) As used in this SECTION, "electric personal assistive mobility device" means a self-balancing, two nontandem wheeled device that is designed to transport only one (1) person and that has the following:

(1) An electric propulsion system with average power of seven hundred fifty (750) watts or one (1) horsepower.

(2) A maximum speed of less than twenty (20) miles per hour when operated on a paved level surface, when powered solely by the propulsion system referred to in subdivision (1), and when operated by an operator weighing one hundred seventy (170) pounds.

(b) As used in this SECTION, "commission" refers to the state fair commission established by IC 15-1.5-2-1.

(c) As used in this SECTION, "executive director" refers to the executive director of the commission employed under IC 15-1.5-2-9.

(d) As used in this SECTION, "fairgrounds" has the meaning set forth in IC 15-1.5-1-7.

(e) As used in this SECTION, "motorized cart" means any conveyance that is motor driven, either by gas or electricity, that is used to carry passengers or equipment, and that is smaller than normal road type vehicles such as cars, recreational vehicles, and trucks.

(f) Notwithstanding IC 9-13-2-109, as amended by this act, and notwithstanding 80 IAC 4-3-3(a), an electric personal assistive mobility device is considered to be a motorized cart and may be used upon the fairgrounds.

(g) Before January 1, 2003, the commission shall amend 80 IAC 4-3-3 to permit the use of an electric personal assistive mobility device upon the fairgrounds as a motorized cart.

(h) Before January 1, 2003, the commission shall amend 80 IAC 4-3-5(d) and (e) to exclude a person who uses an electric personal assistive mobility device upon the fairgrounds from the insurance requirements of those subsections.

(i) The commission shall carry out the duties imposed upon it under this SECTION under interim guidelines that are approved by the executive director and authorized by the adoption of a resolution by the commission under IC 15-1.5-2-9(c)(1).

(j) This SECTION expires on the earlier of the following:

(1) The dates rules are adopted under subsections (f), (g), and (h) of this SECTION.

(2) December 31, 2003."

Renumber all SECTIONS consecutively.

(Reference is to SB 401 as reprinted February 26, 2002.)

RIEGSECKER	STILWELL
SIPES	MOCK
Senate Conferees	House Conferees

The conference committee report was filed and read a first time.

**CONFERENCE COMMITTEE REPORT**  
EHB 1360-1; filed March 14, 2002, at 5:10 p.m.

Mr. Speaker: Your Conference Committee appointed to confer with a like committee from the Senate upon Engrossed Senate Amendments to Engrossed House Bill 1360 respectfully reports that said two committee have conferred and agreed as follows to wit:

that the House recede from its dissent from all Senate amendments and that the House now concur in all Senate amendments to the bill and that the bill be further amended as follows:

Replace the effective dates in SECTIONS 1 through 15 with "[EFFECTIVE UPON PASSAGE]".

Page 8, line 19, delete "a" and insert "the initial".

Page 13, line 1, delete "July 1," and insert "the effective date of this SECTION".

Page 13, line 2, delete "2002,".

Page 13, line 2, delete "after June 30, 2002," and insert "**on and after the effective date of this SECTION**".

Page 13, delete lines 4 through 23, begin a new paragraph and insert:

**"(e) If an eligible recipient submitted an application to the state for funding from the build Indiana fund before the effective date of this act and the budget agency has available to it the information necessary to process the application, the budget agency shall use the information to process the application without requiring resubmission of the information on any particular form or in a different format.**

**SECTION 16. An emergency is declared for this act."**

(Reference is to EHB 1360 as February 22, 2002.)

MOSES	R. MEEKS
TURNER	SIMPSON
House Conferees	Senate Conferees

The conference committee report was filed and read a first time.

The House recessed until the fall of the gavel.

Pursuant to House Rule 60, a meeting of the Committee on Rules and Legislative Procedures was announced.

## RECESS

The House reconvened at 8:10 p.m. with the Speaker in the Chair.

### MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the Senate has adopted the Conference Committee Reports on Engrossed House Bills 1001-1, 1088-1, 1101-1, 1138-1, 1232-1, 1252-1, 1257-1, 1329-1, and 1346-1.

MARY C. MENDEL  
Principal Secretary of the Senate

### MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the Senate has adopted the Conference Committee Reports on Engrossed House Bills 1191-1 and 1214-1.

MARY C. MENDEL  
Principal Secretary of the Senate

### MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the Senate has adopted the Conference Committee Reports on Engrossed Senate Bills 71-1, 107-1, 426-1, 462-1, 504-1, and 506-1.

MARY C. MENDEL  
Principal Secretary of the Senate

### MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the Senate has adopted the Conference Committee Reports on Engrossed Senate Bills 217-1, 246-1, and 401-1.

MARY C. MENDEL  
Principal Secretary of the Senate

### MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the Senate has adopted the Conference Committee Reports on Engrossed Senate Bills 252-1, 290-1, 315-1, and 360-1.

MARY C. MENDEL  
Principal Secretary of the Senate

### MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the Senate has concurred in the House amendments to Engrossed Senate Bill 79.

MARY C. MENDEL  
Principal Secretary of the Senate

## MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the Senate has overridden the veto of the Governor on House Enrolled Act 1599.

MARY C. MENDEL  
Principal Secretary of the Senate

## CONFERENCE COMMITTEE REPORTS

### CONFERENCE COMMITTEE REPORT

EHB 1121-1; filed March 14, 2002, at 5:44 p.m.

Mr. Speaker: Your Conference Committee appointed to confer with a like committee from the Senate upon Engrossed Senate Amendments to Engrossed House Bill 1121 respectfully reports that said two committee have conferred and agreed as follows to wit:

that the House recede from its dissent from all Senate amendments and that the House now concur in all Senate amendments to the bill and that the bill be further amended as follows:

Delete the title and insert the following:

A BILL FOR AN ACT to amend the Indiana Code concerning motor vehicles.

Delete everything after the enacting clause and insert the following:

SECTION 1. IC 9-21-1-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. (a) A local authority may adopt by ordinance additional traffic regulations with respect to ~~streets~~ and highways under the authority's jurisdiction. An ordinance adopted under this subsection may not conflict with or duplicate a statute.

(b) **After a request has been made at a public meeting or by certified mail to the legislative body (as defined in IC 36-1-2-9) from the property owner, a local authority may adopt by ordinance additional traffic regulations with respect to a private road within the authority's jurisdiction. The ordinance:**

**(1) must require a contractual agreement between the local authority and property owner of the private road setting forth the terms and responsibilities of the additional traffic regulations;**

**(2) must require the contractual agreement required under subdivision (1) to be recorded after passage of the ordinance in the office of the recorder of the county in which the private road is located; and**

**(3) may not conflict with or duplicate state law.**

(c) A fine assessed for a violation of a traffic ordinance adopted by a local authority may be deposited into the general fund of the appropriate political subdivision.

SECTION 2. IC 9-21-1-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. (a) A local authority, with respect to **private roads** ~~streets~~, and highways under the authority's jurisdiction, **in accordance with section 2 of this chapter**, and within the reasonable exercise of the police power, may do the following:

(1) Regulate the standing or parking of vehicles.

(2) Regulate traffic by means of police officers or traffic control signals.

(3) Regulate or prohibit processions or assemblages on the highways.

(4) Designate a highway as a one-way highway and require that all vehicles operated on the highway be moved in one (1) specific direction.

(5) Regulate the speed of vehicles in public parks.

(6) Designate a highway as a through highway and require that all vehicles stop before entering or crossing the highway.

(7) Designate an intersection as a stop intersection and require all vehicles to stop at one (1) or more entrances to the intersection.

(8) Restrict the use of highways as authorized in IC 9-21-4-7.

(9) Regulate the operation of bicycles and require the registration and licensing of bicycles, including the requirement of a registration fee.



(10) Regulate or prohibit the turning of vehicles at intersections.

(11) Alter the prima facie speed limits authorized under IC 9-21-5.

(12) Adopt other traffic regulations specifically authorized by this article.

(13) Adopt traffic regulations governing traffic control on public school grounds when requested by the governing body of the school corporations.

(b) An ordinance or regulation adopted under subsection (a)(4), (a)(5), (a)(6), (a)(7), (a)(8), (a)(10), (a)(11), (a)(12), or (a)(13) is effective when signs giving notice of the local traffic regulations are posted upon or at the entrances to the highway or part of the highway that is affected.

SECTION 3. IC 9-21-1-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 9. Except when a different place is specifically referred to, this article applies ~~exclusively~~ to the operation of vehicles upon highways ~~including and private streets or~~ roads of a residential subdivision, regardless of who maintains them.

SECTION 4. **An emergency is declared for this act.**

(Reference is to EHB 1121 as reprinted February 26, 2002.)

WEINZAPFEL	SERVER
THOMPSON	LANANE
House Conferees	Senate Conferees

The conference committee report was filed and read a first time.

CONFERENCE COMMITTEE REPORT  
ESB 228-1; filed March 14, 2002, at 6:39 p.m.

Mr. Speaker: Your Conference Committee appointed to confer with a like committee from the Senate upon Engrossed House Amendments to Engrossed Senate Bill 228 respectfully reports that said two committee have conferred and agreed as follows to wit:

that the Senate recede from its dissent from all House amendments and that the Senate now concur in all House amendments to the bill and that the bill be further amended as follows:

Delete the title and insert the following:

A BILL FOR AN ACT to amend the Indiana Code concerning Medicaid and to make an appropriation.

Page 1, between the enacting clause and line 1, begin a new paragraph and insert:

"SECTION 1. IC 4-12-8-2, AS AMENDED BY P.L.291-2001, SECTION 70, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. (a) The Indiana prescription drug account is established within the Indiana tobacco master settlement agreement fund for the purpose of providing access to needed prescription drugs to ensure the health and welfare of Indiana's low-income senior citizens. The account consists of:

(1) amounts to be distributed to the account from the Indiana tobacco master settlement agreement fund;

(2) appropriations to the account from other sources; ~~and~~

(3) **rebates:**

(A) **required under 42 U.S.C. 1396r-8(a) for a Medicaid waiver under which a prescription drug program is established or implemented; or**

(B) **voluntarily negotiated under a prescription drug program that is established or implemented; to provide access to prescription drugs for low income senior citizens; and**

(4) grants, gifts, and donations intended for deposit in the account.

(b) The account shall be administered by the budget agency. Expenses for administration and benefits under the Indiana prescription drug program established under IC 12-10-16 shall be paid from the account. Money in the account at the end of the state fiscal year does not revert to the state general fund ~~or the Indiana tobacco master settlement agreement fund~~ but is **annually appropriated and remains available for expenditure for a prescription drug program established or implemented to provide access to prescription drugs for low income senior citizens.**

**(c) Money in the account may be used to match federal funds available under a Medicaid waiver under which a prescription drug program is established or implemented to provide access to prescription drugs for low income senior citizens."**

Page 2, between lines 39 and 40, begin a new paragraph and insert:

"SECTION 3. IC 5-10-8-12 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: **Sec. 12. (a) As used in this section, "covered individual" means an individual who is covered under an employee health plan.**

**(b) As used in this section, "employee health plan" means:**

**(1) a self-insurance program established under section 7(b) of this chapter; or**

**(2) a contract with a prepaid health care delivery plan entered into under section 7(c) of this chapter;**

**that provides a prescription drug benefit.**

**(c) The state personnel department may report to the drug utilization review board established by IC 12-15-35-19, not later than October 1 of each calendar year, the number of covered individuals who are:**

**(1) less than eighteen (18) years of age; and**

**(2) prescribed a stimulant medication approved by the federal Food and Drug Administration for the treatment of attention deficit disorder or attention deficit hyperactivity disorder."**

Page 3, delete lines 19 through 23.

Page 3, line 33, delete "IC 12-15-35.5-3." and insert **"IC 12-15-35.5-2.5."**

Page 3, between lines 33 and 34, begin a new paragraph and insert:

"SECTION 10. IC 12-15-5-6 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 6. The office may not limit the number of brand name prescription drugs a recipient may receive under the program.**

SECTION 11. IC 12-15-12-14, AS ADDED BY P.L.291-2001, SECTION 160, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 14. (a) This section applies to a Medicaid recipient: ~~who:~~

(1) ~~who~~ is determined by the office to be eligible for enrollment in a Medicaid managed care program; ~~and~~

(2) ~~whose Medicaid eligibility is not based on the individual's aged, blind, or disabled status; and~~

(3) ~~who~~ resides in a county having a population of:

(A) ~~more than one hundred fifty thousand (150,000) but less than one hundred sixty thousand (160,000);~~ **one hundred eighty-two thousand seven hundred ninety (182,790) but less than two hundred thousand (200,000);**

(B) ~~more than one hundred sixty thousand (160,000) but less than two hundred thousand (200,000);~~ **one hundred seventy thousand (170,000) but less than one hundred eighty thousand (180,000);**

(C) ~~more than two hundred thousand (200,000) but less than three hundred thousand (300,000);~~

(D) ~~more than three hundred thousand (300,000) but less than four hundred thousand (400,000); or~~

(E) ~~more than four hundred thousand (400,000) but less than seven hundred thousand (700,000).~~

(b) Not later than January 1, 2003, the office shall require a recipient described in subsection (a) to enroll in the risk-based managed care program.

(c) The office:

(1) shall apply to the United States Department of Health and Human Services for any approval necessary; and

(2) may adopt rules under IC 4-22-2;

to implement this section."

Page 5, line 12, delete "who is a Medicaid" and insert **"or a pharmacist whose only contract with the state is a Medicaid provider agreement under IC 12-15-11 or a provider agreement under the children's health insurance program under IC 12-17.6."**



Page 5, delete line 13.

Page 5, line 19, delete "who is not a".

Page 5, line 20, delete "state employee".

Page 5, delete lines 27 through 32.

Page 5, line 33, delete "(k)" and insert "(j)".

Page 5, line 33, delete "the voting members" and insert "a quorum of".

Page 5, line 34, delete "appointed to".

Page 5, line 35, after "measure." insert "A quorum of the therapeutics committee consists of four (4) members."

Page 5, line 36, delete "(l)" and insert "(k)".

Page 5, line 40, delete "(m)" and insert "(l)".

Page 6, line 4, delete "(n)" and insert "(m)".

Page 6, line 5, after "." insert "However, the therapeutics committee may meet in executive session only for the purpose of reviewing confidential or proprietary information."

Page 7, line 38, after "the" insert "primary care case management component of the".

Page 8, line 9, after "list." insert "The board shall also consider expert testimony in the development of a preferred drug list."

Page 8, line 17, delete "substantial" and insert "primary".

Page 8, line 23, delete "Notwithstanding a preferred drug list approved under" and insert "Prior authorization is required for coverage under a program described in subsection (a)(11) of a drug that is not included on the preferred drug list."

Page 8, delete lines 24 through 28.

Page 8, line 29, delete "A preferred drug list developed under subsection (a)(11)" and insert "The board shall determine whether to include a single source covered outpatient drug that is newly approved by the federal Food and Drug Administration on the preferred drug list not later than sixty (60) days after the date of the drug's approval. However, if the board determines that there is inadequate information about the drug available to the board to make a determination, the board may have an additional sixty (60) days to make a determination from the date that the board receives adequate information to perform the board's review. Prior authorization may not be automatically required for a single source drug that is newly approved by the federal Food and Drug Administration and that is:

(1) in a therapeutic classification:

(A) that has not been reviewed by the board; and

(B) for which prior authorization is not required; or

(2) the sole drug in a new therapeutic classification that has not been reviewed by the board."

Page 8, delete lines 30 through 36.

Page 8, line 41, delete "not".

Page 9, line 1, delete "." and insert "under the following circumstances:

(A) To override a prospective drug utilization review alert.

(B) To permit reimbursement for a medically necessary brand name drug that is subject to generic substitution under IC 16-42-22-10.

(C) To prevent fraud, abuse, waste, overutilization, or inappropriate utilization.

(D) To permit implementation of a disease management program.

(E) To implement other initiatives permitted by state or federal law."

Page 9, between lines 3 and 4, begin a new line block indented and insert:

"(3) The office may add a new single source drug that has been approved by the federal Food and Drug Administration to the preferred drug list without prior approval from the board.

(4) The board may add a new single source drug that has been approved by the federal Food and Drug Administration to the preferred drug list."

Page 9, between lines 13 and 14, begin a new line block indented and insert:

"(4) The number of times prior authorization was requested, and the number of times prior authorization was:

(A) approved; and

(B) disapproved."

Page 9, delete lines 17 through 22.

Page 9, line 32, delete "the voting members" and insert "a quorum".

Page 9, line 39, after "submit the" insert "initial".

Page 9, delete lines 41 through 42, begin a new paragraph and insert:

"(b) Except as permitted under subsection (g), the office may not further restrict the status of a drug in the Medicaid program or the children's health insurance program until the board reviews a therapeutic classification and the office implements the therapeutic classification on the preferred drug list.

(c) The office shall provide advance notice to providers of the contents of the preferred drug list submitted by the board under subsection (a)."

Page 10, delete lines 1 through 2.

Page 10, line 3, delete "(c) The" and insert "(d) Notwithstanding IC 12-15-13-6, the".

Page 10, line 6, delete "(d)" and insert "(e)".

Page 10, between lines 8 and 9, begin a new paragraph and insert:

"(f) The office may not require prior authorization for a drug that is excluded from the preferred drug list unless the board has made the determinations required under section 35 of this chapter."

Page 10, line 9, delete "(e)" and insert "(g)".

Page 10, line 33, strike "thirty (30)" and insert "fifteen (15)".

Page 11, line 2, strike "thirty (30)" and insert "fifteen (15)".

Page 11, line 39, delete "Notwithstanding sections" and insert "(a) The board shall review the prescription drug program of a managed care organization that participates in the state's risk-based managed care program at least one (1) time per year. The board's review of a prescription drug program must include the following:

(1) An analysis of the single source drugs requiring prior authorization, including the number of drugs requiring prior authorization in comparison to other managed care organizations' prescription drug programs that participate in the state's Medicaid program.

(2) A determination and analysis of the number and the type of drugs subject to a restriction.

(3) A review of the rationale for:

(A) the prior authorization of a drug described in subdivision (1); and

(B) a restriction on a drug.

(4) A review of the number of requests a managed care organization received for prior authorization, including the number of times prior authorization was approved and the number of times prior authorization was disapproved.

(5) A review of:

(A) patient and provider satisfaction survey reports; and

(B) pharmacy-related grievance data for a twelve (12) month period.

(b) A managed care organization described in subsection (a) shall provide the board with the information necessary for the board to conduct its review under subsection (a).

(c) The board shall report to the select joint commission on Medicaid oversight established by IC 2-5-26-3 at least one (1) time per year on the board's review under subsection (a)."

Page 11, delete lines 40 through 42.

Page 12, delete lines 1 through 42, begin a new paragraph and insert:

"SECTION 23. IC 12-15-35.5-2.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2.5. As used in this chapter, "unrestricted access" means the ability of a recipient to obtain a prescribed drug without being subject to limits or preferences imposed by the office or the board for the

**purpose of cost savings except as provided under IC 12-15-35-8 and section 7 of this chapter.**

SECTION 24. IC 12-15-35.5-4, AS ADDED BY HEA 1233-2002, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]:

Sec. 4. Prior authorization requirements developed under this chapter must:

- (1) comply with all applicable state and federal laws, including the provisions of 405 IAC 5-3 and 42 U.S.C. 1396r-8(d)(5); and
- (2) provide that the prior authorization number assigned to an approved request be included on the prescription or drug order:
  - (A) issued by the prescribing ~~physician~~, **practitioner**; or
  - (B) if the prescription is transmitted orally, relayed to the dispensing pharmacist by the prescribing ~~physician~~, **practitioner**."

Delete page 13.

Page 14, delete lines 1 through 15, begin a new paragraph and insert:

"SECTION 25. IC 12-17.6-3-3, AS ADDED BY P.L.273-1999, SECTION 177, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 3. (a) Subject to subsection (b), a child who is eligible for the program shall receive services from the program until the earlier of the following:

- (1) ~~The end of a period of twelve (12) consecutive months following the determination of the child's eligibility for the program. The child becomes financially ineligible.~~
- (2) The child becomes nineteen (19) years of age.

(b) Subsection (a) applies only if the child and the child's family comply with enrollment requirements."

Page 14, between lines 21 and 22, begin a new paragraph and insert:

"SECTION 27. IC 12-17.6-4-10 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 10. The office may not limit the number of brand name prescription drugs a recipient may receive under the program.**"

Page 14, line 28, delete "," and insert ", and whose practice agreement with a collaborating physician reflects the conditions specified in subsection (b)."

Page 14, line 29, delete "psychotropic" and insert "stimulant".

Page 14, between lines 36 and 37, begin a new paragraph and insert:

"SECTION 29. IC 27-8-30 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]:

### **Chapter 30. Specific Accident and Sickness Insurance Reporting Requirements**

**Sec. 1. As used in this chapter, "accident and sickness insurance policy" means a policy that:**

- (1) provides the kinds of coverage described in Class 1(b) or Class 2(a) of IC 27-1-5-1; and
- (2) includes a prescription drug benefit.

**Sec. 2. As used in this chapter, "covered individual" means an individual who is covered under an accident and sickness insurance policy.**

**Sec. 3. An insurer that issues an accident and sickness insurance policy may report to the drug utilization review board established by IC 12-15-35-19 the number of covered individuals who are:**

- (1) less than eighteen (18) years of age; and
- (2) prescribed a stimulant medication approved by the federal Food and Drug Administration for the treatment of attention deficit disorder or attention deficit hyperactivity disorder.

SECTION 30. IC 27-13-42 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]:

### **Chapter 42. Specific Reporting Requirements**

**Sec. 1. A health maintenance organization that enters into an individual contract or a group contract that provides a prescription drug benefit may report to the drug utilization**

**review board established by IC 12-15-35-19, not later than October 1 of each calendar year, the number of enrollees who are:**

- (1) less than eighteen (18) years of age; and
- (2) prescribed a stimulant medication approved by the federal Food and Drug Administration for the treatment of attention deficit disorder or attention deficit hyperactivity disorder.

SECTION 31. IC 35-48-2-1, AS AMENDED BY P.L.14-2000, SECTION 77, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. (a) The board shall administer this article and may recommend to the general assembly the addition, deletion, or rescheduling of all substances listed in the schedules in sections 4, 6, 8, 10, and 12 of this chapter by submitting a report of such recommendations to the legislative council. In making a determination regarding a substance, the board shall consider the following:

- (1) The actual or relative potential for abuse.
- (2) The scientific evidence of its pharmacological effect, if known.
- (3) The state of current scientific knowledge regarding the substance.
- (4) The history and current pattern of abuse.
- (5) The scope, duration, and significance of abuse.
- (6) The risk to public health.
- (7) The potential of the substance to produce psychic or physiological dependence liability.
- (8) Whether the substance is an immediate precursor of a substance already controlled under this article.

(b) After considering the factors enumerated in subsection (a), the board shall make findings and recommendations concerning the control of the substance if it finds the substance has a potential for abuse.

(c) If the board finds that a substance is an immediate precursor, substances which are precursors of the controlled precursor shall not be subject to control solely because they are precursors of the controlled precursor.

(d) If any substance is designated or rescheduled to a more restrictive schedule as a controlled substance under federal law and notice is given to the board, the board shall recommend similar control of the substance under this article in the board's report to the general assembly, unless the board objects to inclusion or rescheduling. In that case, the board shall publish the reasons for objection and afford all interested parties an opportunity to be heard. At the conclusion of the hearing, the board shall publish its findings.

(e) If a substance is rescheduled to a less restrictive schedule or deleted as a controlled substance under federal law, the substance is rescheduled or deleted under this article. If the board objects to inclusion, rescheduling, or deletion of the substance, the board shall notify the chairman of the legislative council not more than thirty (30) days after the federal law is changed and the substance may not be rescheduled or deleted until the conclusion of the next complete session of the general assembly. The notice from the board to the chairman of the legislative council must be published.

(f) There is established a ~~fifteen (15)~~ **sixteen (16)** member controlled substances advisory committee to serve as a consultative and advising body to the board in all matters relating to the classification, reclassification, addition to, or deletion from of all substances classified as controlled substances in schedules I to IV or substances not controlled or yet to come into being. In addition, the advisory committee shall conduct hearings and make recommendations to the board regarding revocations, suspensions, and restrictions of registrations as provided in IC 35-48-3-4. All hearings shall be conducted in accordance with IC 4-21.5-3. The advisory committee shall be made up of:

- (1) two (2) physicians licensed under IC 25-22.5, one (1) to be elected by the medical licensing board of Indiana from among its members and one (1) to be appointed by the governor;
- (2) two (2) pharmacists, one (1) to be elected by the state board of pharmacy from among its members and one (1) to be appointed by the governor;

(3) two (2) dentists, one (1) to be elected by the state board of dentistry from among its members and one (1) to be appointed by the governor;

(4) the state toxicologist or the designee of the state toxicologist;

(5) two (2) veterinarians, one (1) to be elected by the state board of veterinary medical examiners from among its members and one (1) to be appointed by the governor;

(6) one (1) podiatrist to be elected by the board of podiatric medicine from among its members;

(7) one (1) advanced practice nurse with authority to prescribe legend drugs as provided by IC 25-23-1-19.5 who is:

(A) elected by the state board of nursing from among the board's members; or

(B) if a board member does not meet the requirements under IC 25-23-1-19.5 at the time of the vacancy on the advisory committee, appointed by the governor;

(8) the superintendent of the state police department or the superintendent's designee; ~~and~~

(9) three (3) members appointed by the governor who have demonstrated expertise concerning controlled substances; **and**

**(10) one (1) member appointed by the governor who is a psychiatrist with expertise in child and adolescent psychiatry.**

(g) All members of the advisory committee elected by a board shall serve a term of one (1) year and all members of the advisory committee appointed by the governor shall serve a term of four (4) years. Any elected or appointed member of the advisory committee, may be removed for cause by the authority electing or appointing the member. If a vacancy occurs on the advisory committee, the authority electing or appointing the vacating member shall elect or appoint a successor to serve the unexpired term of the vacating member. The board shall acquire the recommendations of the advisory committee pursuant to administration over the controlled substances to be or not to be included in schedules I to V, especially in the implementation of scheduled substances changes as provided in subsection (d).

(h) Authority to control under this section does not extend to distilled spirits, wine, or malt beverages, as those terms are defined or used in IC 7.1, or to tobacco.

(i) The board shall exclude any nonnarcotic substance from a schedule if that substance may, under the Federal Food, Drug, and Cosmetic Act or state law, be sold over the counter without a prescription.

SECTION 32. IC 12-15-2-15.7 IS REPEALED [EFFECTIVE JULY 1, 2002].

SECTION 33. [EFFECTIVE JULY 1, 2002] (a) As used in this SECTION, "advisory committee" refers to the controlled substances advisory committee established by IC 35-48-2-1(f), as amended by this act.

(b) The advisory committee shall review the records maintained for the previous year by the central repository for controlled substances designated by the state police department under IC 35-48-7-10 regarding the prescribing of stimulant medications approved by the federal Food and Drug Administration for the treatment of attention deficit disorder or attention deficit hyperactivity for children less than eighteen (18) years of age.

(c) Not later than October 1, 2002, the advisory committee shall submit a report containing information obtained under subsection (b) to the drug utilization review board established by IC 12-15-35-19.

(d) The report required under subsection (c) may not contain any information that:

(1) may be used to identify a child for whom a stimulant medication was prescribed; or

(2) indicates that a particular physician's prescribing of stimulant medications to a child was inappropriate.

(e) Any meeting held by the advisory committee to comply with this SECTION is not open to the public.

(f) Unless otherwise provided by law, records reviewed by the advisory committee to comply with this SECTION are not public records.

(g) The drug utilization review board shall review:

(1) the report submitted under subsection (c);

(2) information submitted under:

(A) IC 5-10-8-12, as added by this act;

(B) IC 27-8-30, as added by this act; and

(C) IC 27-13-42, as added by this act;

(3) information submitted by the office of Medicaid policy and planning regarding the prescribing of stimulant medications approved by the federal Food and Drug Administration for the treatment of attention deficit disorder and attention deficit hyperactivity disorder for children less than eighteen (18) years of age who participate in:

(A) Medicaid under IC 12-15; or

(B) the children's health insurance program under IC 12-17.6; and

(4) any other relevant information concerning the prescribing of stimulant medications approved by the federal Food and Drug Administration for the treatment of attention deficit disorder or attention deficit hyperactivity for children less than eighteen (18) years of age.

(h) Before December 31, 2002, the drug utilization review board shall submit a report analyzing the information reviewed under subsection (g) to the following:

(1) The select joint commission on Medicaid oversight established by IC 2-5-26-3.

(2) The legislative council.

(3) The medical licensing board of Indiana established by IC 25-22.5-2-1.

(i) The report required under subsection (h) must include the following:

(1) A comparison of the percentage of children receiving prescriptions for stimulant medications who are:

(A) participating in Medicaid (IC 12-15) or the children's health insurance program (IC 12-17.6); and

(B) not participating in a program described in clause (A).

(2) Scientifically determined estimates of the prevalence of major disorders in children who are treated with stimulant medications.

(3) A statement by the advisory committee regarding whether the information provided under subdivisions (1) and (2) indicates that stimulant medications are being disproportionately prescribed for children described in subdivision (1)(A).

(4) Identification of any pattern of prescribing of stimulant medications for children contrary to the most recent guidelines adopted by the American Academy of Pediatrics and the American Academy of Child and Adolescent Psychiatry.

(j) This SECTION expires December 31, 2002.

SECTION 34. [EFFECTIVE UPON PASSAGE] (a) The governor shall appoint a psychiatrist with expertise in child and adolescent psychiatry as an additional member of the controlled substances advisory committee under IC 35-48-2-1, as amended by this act, before July 1, 2002.

(b) This SECTION expires July 1, 2002.

SECTION 35. [EFFECTIVE DECEMBER 30, 2001 (RETROACTIVE)]: (a) The Indiana prescription drug advisory committee is established to:

(1) study pharmacy benefit programs and proposals, including programs and proposals in other states;

(2) make initial and ongoing recommendations to the governor for programs that address the pharmaceutical costs of low-income senior citizens; and

(3) review and approve changes to a prescription drug program that is established or implemented under a Medicaid waiver that uses money from the Indiana prescription drug account established under IC 4-12-8-2.

(b) The committee consists of eleven (11) members appointed by the governor and four (4) legislative members. Members serving on the committee established by P.L.291-2001,

SECTION 81, before its expiration on December 31, 2001, continue to serve. The term of each member expires December 31, 2005. The members of the committee appointed by the governor are as follows:

- (1) A physician with a specialty in geriatrics.
- (2) A pharmacist.
- (3) A person with expertise in health plan administration.
- (4) A representative of an area agency on aging.
- (5) A consumer representative from a senior citizen advocacy organization.
- (6) A person with expertise in and knowledge of the federal Medicare program.
- (7) A health care economist.
- (8) A person representing a pharmaceutical research and manufacturing association.
- (9) Three (3) other members as appointed by the governor.

The four (4) legislative members shall serve as nonvoting members. The speaker of the house of representatives and the president pro tempore of the senate shall each appoint two (2) legislative members, who may not be from the same political party, to serve on the committee.

(c) The governor shall designate a member to serve as chairperson. A vacancy with respect to a member shall be filled in the same manner as the original appointment. Each member is entitled to reimbursement for traveling expenses and other expenses actually incurred in connection with the member's duties. The expenses of the committee shall be paid from the Indiana prescription drug account created by IC 4-12-8. The office of the secretary of family and social services shall provide staff for the committee. The committee is a public agency for purposes of IC 5-14-1.5 and IC 5-14-3. The committee is a governing body for purposes of IC 5-14-1.5.

(d) Not later than September 1, 2004, the committee shall make program design recommendations to the governor and the family and social services administration concerning the following:

- (1) Eligibility criteria, including the desirability of incorporating an income factor based on the federal poverty level.
- (2) Benefit structure.
- (3) Cost-sharing requirements, including whether the program should include a requirement for copayments or premium payments.
- (4) Marketing and outreach strategies.
- (5) Administrative structure and delivery systems.
- (6) Evaluation.

(e) The recommendations shall address the following:

- (1) Cost-effectiveness of program design.
- (2) Coordination with existing pharmaceutical assistance programs.
- (3) Strategies to minimize crowd-out of private insurance.
- (4) Reasonable balance between maximum eligibility levels and maximum benefit levels.
- (5) Feasibility of a health care subsidy program where the amount of the subsidy is based on income.
- (6) Advisability of entering into contracts with health insurance companies to administer the program.

(f) The committee may not recommend the use of funds from the Indiana prescription drug account for a state prescription drug benefit for low-income senior citizens if there is a federal statute or program, other than a federal Medicaid waiver, providing a similar prescription drug benefit for the benefit of low-income senior citizens.

(g) This SECTION expires December 31, 2005.

SECTION 36. [EFFECTIVE UPON PASSAGE] (a) As used in this SECTION, "office" refers to the office of Medicaid policy and planning.

(b) The office shall develop a federal Medicaid waiver application under which a prescription drug program may be established or implemented to provide access to prescription drugs for low-income senior citizens.

(c) Before the office may submit an application for a federal Medicaid waiver that will have an effect on the Indiana prescription drug program established under IC 12-10-16, the following must occur:

- (1) The office shall submit the proposed Medicaid waiver to the prescription drug advisory committee established under this act.
- (2) The prescription drug advisory committee must review, allow public comment, and approve the proposed Medicaid waiver.

(d) A prescription drug program established or implemented by the office or a contractor of the office under this SECTION may only limit access to prescription drugs for prescription drug program recipients to the extent that restrictions are in place in the Medicaid program on the date of enactment of this act.

(e) Changes to a prescription drug program that:

- (1) is established or implemented by the office or a contractor of the office under this SECTION; and
- (2) uses money from the Indiana prescription drug account established under IC 4-12-8-2;

must be approved by the prescription drug advisory committee established under this act.

(f) Before July 1, 2002, the office shall apply to the United States Department of Health and Human Services for approval of any waiver necessary under the federal Medicaid program to provide access to prescription drugs for low income senior citizens.

(g) A Medicaid waiver developed under this SECTION must limit a prescription drug program's state expenditures to funding appropriated to the Indiana prescription drug account established under IC 4-12-8-2 from the Indiana tobacco master settlement agreement fund.

(h) The office may not implement a waiver under this SECTION until the office files an affidavit with the governor attesting that the federal waiver applied for under this SECTION is in effect. The office shall file the affidavit under this subsection not later than five (5) days after the office is notified that the waiver is approved.

(i) If the office receives a waiver under this SECTION from the United States Department of Health and Human Services and the governor receives the affidavit filed under subsection (f), the office shall implement the waiver not more than sixty (60) days after the governor receives the affidavit.

SECTION 37. [EFFECTIVE UPON PASSAGE] (a) There is appropriated from the Indiana tobacco master settlement agreement fund (IC 4-12-1-14.3) fifteen million five hundred sixteen thousand six hundred eighteen dollars (\$15,516,618) to the Indiana prescription drug account established under IC 4-12-8-2. The budget agency shall allot the money appropriated under this subsection for the Indiana prescription drug account.

(b) Notwithstanding IC 4-12-1-14.3, the amount appropriated under subsection (a) is the remainder of the amount appropriated under P.L.21-2000, SECTION 12 for the Indiana prescription drug program that was not placed in the Indiana prescription drug account and does not count against the maximum amount of expenditures, transfers, or distributions that may be made from the Indiana tobacco master settlement agreement fund during the state fiscal year.

(c) This SECTION expires July 1, 2004.

SECTION 38. [EFFECTIVE UPON PASSAGE] (a) As used in this SECTION, "office" refers to the office of the secretary of family and social services.

(b) As used in this SECTION, "point of sale system" means a system that uses an electronic hardware device that is:

- (1) operated by a pharmacist on behalf of the office; and
- (2) capable of:
  - (A) reading information on a card that is issued by the office; and
  - (B) providing an immediate prescription drug benefit to the eligible recipient.

(c) Before July 1, 2002, the office shall establish and implement a point of sale system for the Indiana prescription drug program established under IC 12-10-16.

(d) This SECTION expires July 1, 2002.

SECTION 39. [EFFECTIVE JULY 1, 2002] (a) As used in this SECTION, "office" refers to the office of Medicaid policy and planning established under IC 12-8-6-1.

(b) Before September 1, 2002, the office shall apply to the United States Department of Health and Human Services to do the following:

(1) Amend the state's waiver under 42 U.S.C. 1396n(b)(1) to include the aged, blind, and disabled in the managed care program under IC 12-15-12.

(2) Amend the state Medicaid plan in accordance with this act.

(c) The office may not implement the amendments under subsection (b) until the office files an affidavit with the governor attesting that the amendments applied for under this SECTION have been approved. The office shall file the affidavit under this subsection not later than five (5) days after the office is notified that the amendments are approved.

(d) If the United States Department of Health and Human Services approves the amendments applied for under this SECTION and the governor receives the affidavit filed under subsection (c), the office shall implement the amendments not more than sixty (60) days after the governor receives the affidavit.

(e) The office may adopt rules under IC 4-22-2 to implement this SECTION.

(f) This SECTION expires December 31, 2008."

Renumber all SECTIONS consecutively.

(Reference is to ESB 228 as reprinted February 26, 2002.)

MILLER	C. BROWN
BREAUX	DILLON
Senate Conferees	House Conferees

The conference committee report was filed and read a first time.

**CONFERENCE COMMITTEE REPORT**  
ESB 351-1; filed March 14, 2002, at 6:42 p.m.

Mr. Speaker: Your Conference Committee appointed to confer with a like committee from the Senate upon Engrossed House Amendments to Engrossed Senate Bill 351 respectfully reports that said two committee have conferred and agreed as follows to wit:

that the Senate recede from its dissent from all House amendments and that the Senate now concur in all House amendments to the bill and that the bill be further amended as follows:

Page 1, line 3, reset in roman "nine (9)".

Page 1, line 3, delete "ten (10)".

Page 1, line 6, delete "or the novoting faculty trustee" and insert "."

Page 1, line 7, delete "elected under IC 20-12-24-3.6".

Page 2, delete lines 16 through 42.

Delete pages 3 through 11.

(Reference is to ESB 351 as printed February 19, 2002.)

LUBBERS	WELCH
SIMPSON	M. SMITH
Senate Conferees	House Conferees

The conference committee report was filed and read a first time.

**CONFERENCE COMMITTEE REPORT**  
EHB 1108-1; filed March 14, 2002, at 6:47 p.m.

Mr. Speaker: Your Conference Committee appointed to confer with a like committee from the Senate upon Engrossed Senate Amendments to Engrossed House Bill 1108 respectfully reports that said two committee have conferred and agreed as follows to wit:

that the House recede from its dissent from all Senate amendments and that the House now concur in all Senate amendments to the bill and that the bill be further amended as follows:

Delete everything after the enacting clause and insert the following:

SECTION 1. IC 5-1.4-1-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 10. "Qualified entity" means the following:

(1) A city.

(2) A county.

(3) A special taxing district located wholly within a county.

(4) Any entity whose tax levies are subject to review and modification by a city-county legislative body under IC 36-3-6-9.

(5) A political subdivision (as defined in IC 36-1-2-13) that is located wholly within a county:

(A) that has a population of:

(i) more than four hundred thousand (400,000) but less than seven hundred thousand (700,000); or

(ii) more than two hundred thousand (200,000) but less than three hundred thousand (300,000); or

(B) containing a city that:

(i) is described in section 5(3) of this chapter; and

(ii) is a public improvement bond bank under this article.

(6) A charter school established under IC 20-5.5 that is sponsored by the executive of a consolidated city.

(7) Any authority created under IC 36 that leases land or facilities to any qualified entity listed in subdivisions (1) through ~~(5)~~: (6).

SECTION 2. IC 20-10.1-30 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]:

**Chapter 30. High School Diploma Program for Eligible Veterans**

Sec. 1. As used in this chapter, "department of veterans' affairs" refers to the Indiana department of veterans' affairs established by IC 10-5-1-3.

Sec. 2. As used in this chapter, "diploma" refers to a high school diploma.

Sec. 3. As used in this chapter, "eligible veteran" refers to an individual who has the following qualifications:

(1) Served as a member of the armed forces of the United States at any time during at least one (1) of the following periods:

(A) Beginning April 6, 1917, and ending November 11, 1918 (World War I).

(B) Beginning December 7, 1941, and ending December 31, 1946 (World War II).

(2) Before the military service described in subdivision (1):

(A) attended public or nonpublic high school in Indiana; and

(B) was a student in good standing at the high school described in clause (A), to the satisfaction of the department of veterans' affairs.

(3) Did not graduate or receive a diploma because of leaving the high school described in subdivision (2) for the military service described in subdivision (1).

(4) Was honorably discharged from the armed forces of the United States.

Sec. 4. As used in this chapter, "program" applies to the high school diploma program for eligible veterans established by section 6 of this chapter.

Sec. 5. As used in this chapter, "school corporation" includes a successor school corporation serving the area where a high school that no longer exists was once located.

Sec. 6. The high school diploma program for eligible veterans is established to provide for the issuance of high school diplomas to certain veterans.

Sec. 7. The department and the department of veterans' affairs shall jointly design a form for the application for issuance of a diploma under the program. The application form shall require at least the following information about an eligible veteran:

- (1) Personal identification information.
- (2) Military service information, including a copy of the eligible veteran's honorable discharge.
- (3) High school information, including the following:
  - (A) Name and address, including county, of the last high school attended.
  - (B) Whether the high school was a public or nonpublic school.
  - (C) Years attended.
  - (D) Year of leaving high school to begin military service.
  - (E) Year in which the veteran would have graduated if the veteran had not left high school to begin military service.
- (4) If the high school attended was a public school, whether the veteran prefers receiving a diploma issued by:
  - (A) the board; or
  - (B) the governing body of the school corporation governing the high school.

Sec. 8. The department of veterans' affairs shall do the following for individuals that the department of veterans' affairs has reason to believe may be eligible to apply for a diploma under the program:

- (1) Give notice of the program.
- (2) Describe the application procedure.
- (3) Furnish an application form.

Sec. 9. The following individuals may apply for the issuance of a diploma to an eligible veteran under the program:

- (1) An eligible veteran, including an eligible veteran who has received a general education development diploma or a similar diploma.
- (2) An individual who is:
  - (A) the surviving spouse of; or
  - (B) otherwise related to;
 an eligible veteran who is deceased.

Sec. 10. An applicant for a diploma under the program must submit a completed application form to the department of veterans' affairs.

Sec. 11. Upon receipt of an application, the department of veterans' affairs shall do the following:

- (1) Verify the accuracy of the information in the application, in consultation with the department, if necessary.
- (2) Forward the verified application to the department.

Sec. 12. Upon receipt of a verified application, the department shall do the following:

- (1) If the applicant:
  - (A) expresses a preference in the application to receive a diploma issued by the board; or
  - (B) attended a nonpublic high school before leaving high school for military service;
 the department shall present a diploma issued by the board.
- (2) If the applicant expresses a preference for receiving a diploma from the governing body of the school corporation containing the public high school that the eligible veteran left for military service, the department shall direct the governing body of the affected school corporation to issue and present the diploma.

Sec. 13. (a) The department and governing bodies are encouraged but are not required to hold a ceremony to present a diploma that is issued under the program.

(b) Upon request of a governing body, the department, in cooperation with the department of veterans' affairs, shall assist the governing body to develop a variety of formats for appropriate ceremonies at which to award diplomas under the program.

Sec. 14. (a) The board shall design a unique commemorative diploma for the board to issue to eligible veterans who:

- (1) attended a public high school and express in the application a preference for receiving a diploma that the board issues; or

(2) attended a nonpublic high school.

(b) The board shall design a unique commemorative diploma that a governing body may choose to issue under the program.

Sec. 15. (a) A governing body may design a unique commemorative diploma for the governing body to issue under the program.

(b) A governing body that issues a diploma under the program shall issue one (1) of the following types of diplomas:

- (1) The diploma described in subsection (a).
- (2) The diploma designed by the board under section 14(b) of this chapter.
- (3) The same diploma that the governing body issues to current graduates.

Sec. 16. The department and the department of veterans' affairs shall work cooperatively to jointly administer this chapter.

Sec. 17. A fee may not be charged to process an application or to award a diploma under this chapter.

Sec. 18. The department and the department of veterans' affairs may adopt rules under IC 4-22-2 to implement this chapter.

SECTION 3. An emergency is declared for this act.

(Reference is to EHB 1108 as printed February 15, 2002.)

PORTER	LUBBERS
HOFFMAN	BREAUX
House Conferees	Senate Conferees

The conference committee report was filed and read a first time.

#### CONFERENCE COMMITTEE REPORT EHB 1378-1; filed March 14, 2002, at 6:52 p.m.

Mr. Speaker: Your Conference Committee appointed to confer with a like committee from the Senate upon Engrossed Senate Amendments to Engrossed House Bill 1378 respectfully reports that said two committee have conferred and agreed as follows to wit:

that the House recede from its dissent from all Senate amendments and that the House now concur in all Senate amendments to the bill and that the bill be further amended as follows:

Replace the effective date in SECTION 11 with "[EFFECTIVE JANUARY 1, 2003]".

Page 1, line 15, delete "county subdivision." and insert "unit imposing the fee."

Page 1, delete line 18.

Delete pages 2 through 3.

Page 4, delete lines 1 through 28.

Page 5, delete lines 6 through 42.

Delete pages 6 through 9.

Page 10, delete lines 1 through 15, begin a new paragraph and insert:

"SECTION 3. [EFFECTIVE UPON PASSAGE] (a) As used in this SECTION, "department" refers to the Indiana department of transportation.

(b) Not later than July 1, 2002, the department shall form a task force to identify barriers to enabling interested parties to develop a multitenant conduit system for fiber optic communications to be located in the highway rights-of-way maintained and owned by the department. The goal of the task force formed under this subsection shall be to identify barriers that inhibit private industry from funding and developing a multitenant conduit system.

(c) The task force formed under subsection (b) shall submit its findings to the executive director of the legislative services agency not later than November 1, 2002.

(d) This SECTION expires December 31, 2003."

Renumber all SECTIONS consecutively.

(Reference is to EHB 1378 as reprinted February 26, 2002.)

CROOKS	R. MEEKS
SCHOLER	LANANE
House Conferees	Senate Conferees

The conference committee report was filed and read a first time.

CONFERENCE COMMITTEE REPORT  
HHB 1195-1; filed March 14, 2002, at 7:47 p.m.

Mr. Speaker: Your Conference Committee appointed to confer with a like committee from the Senate upon Engrossed Senate Amendments to Engrossed House Bill 1195 respectfully reports that said two committee have conferred and agreed as follows to wit:

that the House recede from its dissent from all Senate amendments and that the House now concur in all Senate amendments to the bill and that the bill be further amended as follows:

Page 1, line 1, delete "P.L.291-2001," and insert "SEA 357-2002, SECTION 106,".

Page 1, line 2, delete "SECTION 130,".

Page 1, line 6, delete "state board of tax commissioners,".

Page 1, line 7, reset in roman "department of local government finance,".

Page 2, line 41, delete "P.L.291-2001," and insert "SEA 357-2002, SECTION 108,".

Page 2, line 42, delete "SECTION 134,".

Page 3, line 4, delete "state board of tax,".

Page 3, line 5, delete "commissioners,".

Page 3, line 5, reset in roman "department of local government finance,".

Page 5, line 11, delete "P.L.291-2001," and insert "SEA 357-2002, SECTION 109,".

Page 5, line 12, delete "SECTION 140,".

Page 5, line 16, delete "state board of tax commissioners,".

Page 5, line 17, reset in roman "department of local government finance,".

Page 5, line 21, delete "he" and insert "the veteran".

Page 5, line 35, delete "his".

Page 5, line 39, delete "he" and insert "the individual".

Page 5, line 41, delete "state board of tax".

Page 5, line 42, delete "commissioners".

Page 5, line 42, reset in roman "department of local government finance".

Page 7, line 14, delete "ADDED BY P.L.178-2001," and insert "AMENDED BY SEA 357-2002, SECTION 149,".

Page 7, line 15, delete "SECTION 2,".

Page 7, delete line 18.

Page 7, line 19, delete "(110,000)".

Page 7, line 19, reset in roman "one hundred five thousand (105,000) but less than one".

Page 7, reset in roman line 20.

Page 7, line 34, delete "state board of tax".

Page 7, line 35, delete "commissioners".

Page 7, line 35, reset in roman "department of local government finance".

Page 8, line 22, delete "P.L.125-1999," and insert "SEA 357-2002, SECTION 198,".

Page 8, line 23, delete "SECTION 2,".

Page 8, line 26, delete "state board of tax".

Page 8, line 27, delete "commissioners,".

Page 8, line 27, reset in roman "department of local government finance,".

Page 13, delete lines 11 through 42.

Delete page 14 through 17.

Page 18, delete lines 1 through 30.

Page 18, line 31, delete "P.L.178-2001," and insert "SEA 357-2002, SECTION 426,".

Page 18, line 32, delete "SECTION 5,".

Page 18, delete line 35.

Page 18, line 36, delete "(110,000)".

Page 18, line 36, reset in roman "one hundred five thousand (105,000) but less than one".

Page 18, line 37, reset in roman "hundred twenty thousand (120,000)".

Page 19, line 5, delete "ninety thousand (90,000) but".

Page 19, line 6, delete "less than one hundred ten thousand (110,000)".

Page 19, line 6, reset in roman "one hundred five".

Page 19, reset in roman line 7.

Page 19, line 8, reset in roman "(120,000)".

Page 19, line 18, delete "state board of tax commissioners".

Page 19, line 18, reset in roman "department of local".

Page 19, line 19, reset in roman "government finance".

Page 20, line 11, delete "state board of tax commissioners".

Page 20, line 12, reset in roman "department of local government finance".

Page 20, line 14, delete "state board of tax commissioners".

Page 20, line 15, reset in roman "department of local government finance".

Page 20, line 17, delete "state board of tax".

Page 20, line 18, delete "commissioners".

Page 20, line 18, reset in roman "department of local government finance".

Page 20, line 20, delete "state board of tax commissioners".

Page 20, line 20, reset in roman "department of local".

Page 20, line 21, reset in roman "government finance".

Page 20, line 35, delete "state board of tax commissioners".

Page 20, line 35, reset in roman "department of local government".

Page 20, line 36, reset in roman "finance".

Page 20, line 42, delete "P.L.178-2001," and insert "SEA 357-2002, SECTION 442,".

Page 21, line 1, delete "SECTION 6,".

Page 21, line 4, delete "ninety thousand (90,000) but less than one hundred ten thousand".

Page 21, line 5, delete "(110,000)".

Page 21, line 5, reset in roman "one hundred five thousand (105,000) but less than one".

Page 21, line 6, reset in roman "hundred twenty thousand (120,000)".

Page 21, line 14, delete "ninety thousand".

Page 21, line 15, delete "(90,000) but less than one hundred ten thousand (110,000)".

Page 21, line 15, reset in roman "one".

Page 21, reset in roman line 16.

Page 21, line 17, reset in roman "thousand (120,000)".

Page 21, line 25, delete "state board of tax commissioners".

Page 21, line 25, reset in roman "department of local".

Page 21, line 26, reset in roman "government finance".

Page 21, between lines 37 and 38, begin a new paragraph and insert:

"SECTION 24. IC 36-7-26-1, AS AMENDED BY P.L.291-2001, SECTION 200, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE APRIL 1, 2002 (RETROACTIVE)]: Sec. 1. This chapter applies to the following:

(1) A city having a population of more than seventy-five thousand (75,000) but less than ninety thousand (90,000).

(2) A city having a population of more than ~~ninety thousand (90,000) but less than one hundred ten thousand (110,000):~~ **one hundred five thousand (105,000) but less than one hundred twenty thousand (120,000).**

(3) A city having a population of more than one hundred fifty thousand (150,000) but less than five hundred thousand (500,000).

(4) A city having a population of more than one hundred twenty thousand (120,000) but less than one hundred fifty thousand (150,000).

SECTION 25. IC 36-7-26-23, AS AMENDED BY P.L.291-2001, SECTION 202, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE APRIL 1, 2002 (RETROACTIVE)]: Sec. 23. (a) Before the first business day in October of each year, the board shall require the department to calculate the net increment for the preceding state fiscal year. The department shall transmit to the board a statement as to the net increment in sufficient time to permit the board to review the calculation and permit the transfers required by this section to be made on a timely basis.

(b) There is established a sales tax increment financing fund to be administered by the treasurer of state. The fund is comprised of two (2) accounts called the net increment account and the credit account.

(c) On the first business day in October of each year, that portion of the net increment calculated under subsection (a) that is needed:



- (1) to pay debt service on the bonds issued under section 24 of this chapter or to pay lease rentals under section 24 of this chapter; and
- (2) to establish and maintain a debt service reserve established by the commission or by a lessor that provides local public improvements to the commission;

shall be transferred to and deposited in the fund and credited to the net increment account. Money credited to the net increment account is pledged to the purposes described in subdivisions (1) and (2), subject to the other provisions of this chapter.

(d) On the first business day of October in each year, the remainder of:

- (1) eighty percent (80%) of the gross increment; minus
- (2) the amount credited to the net increment account on the same date;

shall be transferred and credited to the credit account.

(e) The remainder of:

- (1) the gross increment; minus
- (2) the amounts credited to the net increment account and the credit account;

shall be deposited by the auditor of state as other gross retail and use taxes are deposited.

(f) A city described in section 1(2), 1(3), or 1(4) of this chapter may receive not more than fifty percent (50%) of the net increment each year. During the time a district exists in a city described in section ~~1(2)~~, 1(3) or 1(4) of this chapter, not more than a total of one million dollars (\$1,000,000) of net increment may be paid to the city described in section ~~1(2)~~, 1(3) or 1(4) of this chapter. **During each year that a district exists in a city described in section 1(2) of this chapter, not more than one million dollars (\$1,000,000) of net increment may be paid to the city described in section 1(2) of this chapter.**

(g) The auditor of state shall disburse all money in the fund that is credited to the net increment account to the commission in equal semiannual installments on November 30 and May 31 of each year.

SECTION 26. IC 36-7-26-24, AS AMENDED BY P.L.185-2001, SECTION 9, AND AS AMENDED BY P.L.291-2001, SECTION 203, IS AMENDED AND CORRECTED TO READ AS FOLLOWS [EFFECTIVE APRIL 1, 2002 (RETROACTIVE)]: Sec. 24. (a) The commission may issue bonds, payable in whole or in part, from money distributed from the fund to the commission, to finance a local public improvement under IC 36-7-14-25.1 or may make lease rental payments for a local public improvement under IC 36-7-14-25.2 and IC 36-7-14-25.3. The term of any bonds issued under this section may not exceed twenty (20) years, nor may the term of any lease agreement entered into under this section exceed twenty (20) years. The commission shall transmit to the board a transcript of the proceedings with respect to the issuance of the bonds or the execution and delivery of a lease agreement as contemplated by this section. The transcript must include a debt service or lease rental schedule setting forth all payments required in connection with the bonds or the lease rentals.

(b) On January 15 of each year, the commission shall remit to the treasurer of state the money disbursed from the fund that is credited to the net increment account that exceeds the amount needed to pay debt service or lease rentals and to establish and maintain a debt service reserve under this chapter in the prior year and before May 31 of that year. Amounts remitted under this subsection shall be deposited by the auditor of state as other gross retail and use taxes are deposited.

(c) The commission in a city described in section 1(2) of this chapter may ~~only~~ distribute money from the fund *only* for the following:

- (1) Road, interchange, and right-of-way improvements. ~~and for~~
- (2) **Acquisition costs of a commercial retail facility and for** real property acquisition costs in furtherance of the road, interchange, and right-of-way improvements.
- (3) **Demolition of commercial property and any related expenses incurred before or after the demolition of the commercial property.**
- (4) **For physical improvements or alterations of property that enhance the commercial viability of the district.**

(d) The commission in a city described in section 1(3) of this chapter may distribute money from the fund only for the following purposes:

(1) For road, interchange, and right-of-way improvements and for real property acquisition costs in furtherance of the road, interchange, and right-of-way improvements.

(2) For the demolition of commercial property and any related expenses incurred before or after the demolition of the commercial property.

(e) The commission in a city described in section 1(4) of this chapter may distribute money from the fund only for the following purposes:

(1) For:

(A) the acquisition, demolition, and renovation of property; and

(B) site preparation and financing; related to the development of housing in the district.

(2) For physical improvements or alterations of property that enhance the commercial viability of the district."

Renumber all SECTIONS consecutively.

(Reference is to EHB 1195 as reprinted February 26, 2002.)

BAUER	BORST
ESPICH	HUME
House Conferees	Senate Conferees

The conference committee report was filed and read a first time.

#### CONFERENCE COMMITTEE REPORT

ESB 501-1; filed March 14, 2002, at 7:49 p.m.

Mr. Speaker: Your Conference Committee appointed to confer with a like committee from the Senate upon Engrossed House Amendments to Engrossed Senate Bill 501 respectfully reports that said two committee have conferred and agreed as follows to wit:

that the Senate recede from its dissent from all House amendments and that the Senate now concur in all House amendments to the bill and that the bill be further amended as follows:

Page 3, delete lines 15 through 27.

Page 4, delete line 5.

Page 5, delete lines 14 through 23.

Page 5, line 24, delete "[EFFECTIVE JULY 1, 2002]" and insert "[EFFECTIVE APRIL 1, 2002]".

Page 5, between lines 34 and 35, begin a new paragraph and insert:

"SECTION 6. [EFFECTIVE JULY 1, 2002] (a) As used in this SECTION, "commissioner" refers to the commissioner of the Indiana department of administration.

(b) As used in this SECTION, "department" refers to the Indiana department of administration created by IC 4-13-1-2.

(c) As used in this SECTION, "grantee" refers to Ivy Tech State College.

(d) As used in this SECTION, "parcel 1" refers to the following described real estate:

**Part of the Southwest Quarter of Section 20, Township 31 North, Range 13 East of the Second Principal Meridian in Allen County, Indiana, more particularly described as follows:**

**Commencing at a 1 inch brass pin found at the Southwest corner of the Southwest Quarter; thence North 00 degrees, 42 minutes, 00 seconds West, (assumed bearing and basis of bearings to follow), a distance of 875.00 feet along the West line of the Southwest Quarter and the centerline of St. Joe Road; thence North 89 degrees, 18 minutes, 00 seconds East, a distance of 81.20 feet to an east right-of-way line of St. Joe Road; thence North 65 degrees, 31 minutes, 43 seconds East, a distance of 12.80 feet along the right-of-way line to an east right-of-way line of St. Joe Road; thence North 00 degrees, 30 minutes, 32 seconds West, a distance of 54.84 feet along the right-of-way line to a 5/8 inch steel rebar set at the POINT OF BEGINNING of this description; thence continuing North 00 degrees, 30 minutes, 32 seconds West, a distance of 2.16 feet along the right-of-way line to a 5/8 inch steel rebar set; thence North**

66 degrees, 32 minutes, 47 seconds West, a distance of 49.24 feet along the right-of-way line to a 5/8 inch steel rebar set; thence North 00 degrees, 30 minutes, 32 seconds West, a distance of 25.65 feet along the right-of-way line to a tangent curve, concave to the East, having a radius of 3774.72 feet; thence northerly along the curve and the right-of-way line a distance of 245.63 feet, having a central angle of 03 degrees, 43 minutes, 42 seconds, and a chord of 245.58 feet bearing North 01 degrees, 21 minutes, 19 seconds East to a 5/8 inch steel rebar set at the point of tangency; thence North 03 degrees, 13 minutes, 10 seconds East, a distance of 39.33 feet along the right-of-way line to a 5/8 inch steel rebar set on a tangent curve, concave to the West, having a radius of 3864.72 feet; thence northerly along the curve and the right-of-way line a distance of 66.73 feet, having a central angle of 00 degrees, 59 minutes, 21 seconds, and a chord of 66.72 feet bearing North 02 degrees, 43 minutes, 29 seconds East to a 5/8 inch steel rebar set; thence North 89 degrees, 18 minutes, 00 seconds East, a distance of 95.95 feet to a 5/8 inch steel rebar set; thence North 00 degrees, 42 minutes, 00 seconds West, a distance of 50.00 feet to a 5/8 inch steel rebar set; thence South 89 degrees, 18 minutes, 00 seconds West, a distance of 93.72 feet to a 5/8 inch steel rebar set on the east right-of-way line of St. Joe Road, also being a nontangent curve, concave to the West, having a radius of 3864.72 feet; thence northerly along the curve and the right-of-way line a distance of 160.56 feet, having a central angle of 02 degrees, 22 minutes, 50 seconds, and a chord of 160.56 feet bearing North 00 degrees, 17 minutes, 53 seconds East to a 5/8 inch steel rebar set at the point of tangency; thence North 00 degrees, 53 minutes, 32 seconds West, a distance of 476.10 feet along the east right-of-way line to a 5/8 inch steel rebar set; thence South 86 degrees, 42 minutes, 36 seconds East, a distance of 343.35 feet to a 5/8 inch steel rebar set; thence South 89 degrees, 07 minutes, 22 seconds East, a distance of 223.92 feet to a 5/8 inch steel rebar set; thence South 00 degrees, 52 minutes, 38 seconds West, a distance of 46.59 feet to a 5/8 inch steel rebar set; thence North 89 degrees, 17 minutes, 51 seconds East, a distance of 44.11 feet to a 5/8 inch steel rebar set; thence South 00 degrees, 42 minutes, 09 seconds East, a distance of 360.32 feet to a 5/8 inch steel rebar set; thence South 89 degrees, 17 minutes, 51 seconds West, a distance of 65.00 feet; thence South 00 degrees, 42 minutes, 09 seconds East, a distance of 60.00 feet; thence North 89 degrees, 17 minutes, 51 seconds East, a distance of 65.00 feet to a 5/8 inch steel rebar set; thence South 00 degrees, 42 minutes, 09 seconds East, a distance of 264.24 feet to a 5/8 inch steel rebar set; thence South 89 degrees, 17 minutes, 51 seconds West, a distance of 41.74 feet to a 5/8 inch steel rebar set; thence South 01 degrees, 02 minutes, 54 seconds East, a distance of 38.87 feet to a 5/8 inch steel rebar set; thence North 89 degrees, 17 minutes, 51 seconds East, a distance of 41.66 feet; thence North 01 degrees, 02 minutes, 54 seconds West, a distance of 25.48 feet to a 5/8 inch steel rebar set; thence North 88 degrees, 57 minutes, 06 seconds East, a distance of 657.00 feet to a 5/8 inch steel rebar set; thence South 01 degrees, 06 minutes, 51 seconds East, a distance of 250.49 feet to a 5/8 inch steel rebar set; thence South 88 degrees, 58 minutes, 30 seconds West, a distance of 656.47 feet to a 5/8 inch steel rebar set at a tangent curve, concave to the South, having a radius of 860.00 feet, thence westerly along the curve, a distance of 211.44 feet, having a central angle of 14 degrees, 05 minutes, 11 seconds, and a chord of 210.90 feet bearing South 81 degrees, 55 minutes, 54 seconds West to a 5/8 inch steel rebar set at the point of tangency; thence South 74 degrees, 53 minutes, 19 seconds West, a distance of 55.77 feet to a 5/8 inch steel rebar set at a tangent curve, concave to the North, having a radius of 640.00 feet, thence westerly along the curve, a distance of 160.98 feet, having a central angle of 14 degrees, 24 minutes, 42 seconds, and a chord of

160.56 feet bearing South 82 degrees, 05 minutes, 39 seconds West to a 5/8 inch steel rebar set at the point of tangency; thence South 89 degrees, 18 minutes, 00 seconds West, a distance of 163.18 feet to the POINT OF BEGINNING. Containing 18.224 acres, more or less.

(e) As used in this SECTION, "parcel 2" refers to the following described real estate:

Part of the Southwest Quarter of Section 20, Township 31 North, Range 13 East of the Second Principal Meridian in Allen County, Indiana, more particularly described as follows:

Commencing at a 1 inch brass pin found at the Southwest corner of the Southwest Quarter; thence North 00 degrees, 42 minutes, 00 seconds West, (assumed bearing and basis of bearings to follow), a distance of 875.00 feet along the West line of the Southwest Quarter and the centerline of St. Joe Road; thence North 89 degrees, 18 minutes, 00 seconds East, a distance of 81.20 feet to a east right-of-way line of St. Joe Road, also being the POINT OF BEGINNING of this description; thence North 65 degrees, 31 minutes, 43 seconds East, a distance of 12.80 feet along the right-of-way line to a east right-of-way line of St. Joe Road to a 5/8 inch steel rebar set; thence North 00 degrees, 30 minutes, 32 seconds West, a distance of 54.84 feet along the right-of-way line to a 5/8 inch steel rebar set; thence North 89 degrees, 18 minutes, 00 seconds East, a distance of 163.18 feet to a 5/8 inch steel rebar set at a tangent curve, concave to the North, having a radius of 640.00 feet, thence easterly along the curve a distance of 160.98 feet, having a central angle of 14 degrees, 24 minutes, 42 seconds, and a chord of 160.56 feet bearing North 82 degrees, 05 minutes, 39 seconds East to a 5/8 inch steel rebar set at the point of tangency; thence North 74 degrees, 53 minutes, 19 seconds East, a distance of 55.77 feet to a 5/8 inch steel rebar set at a tangent curve, concave to the South, having a radius of 860.00 feet; thence easterly along the curve a distance of 211.44 feet, having a central angle of 14 degrees, 05 minutes, 11 seconds, and a chord of 210.90 feet bearing North 81 degrees, 55 minutes, 54 seconds East to a 5/8 inch steel rebar set at the point of tangency; thence North 88 degrees, 58 minutes, 30 seconds East, a distance of 656.47 feet to a 5/8 inch steel rebar set; thence North 01 degrees, 06 minutes, 51 seconds West, a distance of 250.49 feet to a 5/8 inch steel rebar set; thence North 88 degrees, 57 minutes, 06 seconds East, a distance of 50.00 feet to a 5/8 inch steel rebar set; thence South 01 degrees, 06 minutes, 51 seconds East, a distance of 310.56 feet to a 5/8 inch steel rebar set; thence South 88 degrees, 58 minutes, 30 seconds West, a distance of 706.56 feet to a 5/8 inch steel rebar set at a tangent curve, concave to the South, having a radius of 800.00 feet, thence westerly along the curve, a distance of 196.68 feet, having a central angle of 14 degrees, 05 minutes, 11 seconds, and a chord of 196.19 feet bearing South 81 degrees, 55 minutes, 54 seconds West to a 5/8 inch steel rebar set at the point of tangency; thence South 74 degrees, 53 minutes, 19 seconds West, a distance of 55.77 feet to a 5/8 inch steel rebar set at a tangent curve, concave to the North, having a radius of 700.00 feet, thence westerly along the curve, a distance of 176.07 feet, having a central angle of 14 degrees, 24 minutes, 42 seconds, and a chord of 175.61 feet bearing South 82 degrees, 05 minutes, 39 seconds West to a 5/8 inch steel rebar set at the point of tangency; thence South 89 degrees, 18 minutes, 00 seconds West, a distance of 175.07 feet to the POINT OF BEGINNING. Containing 2.076 acres, more or less.

(f) As used in this SECTION, "parcel 3" refers to the following described real estate:

Part of the Southwest Quarter of Section 20, Township 31 North, Range 13 East of the Second Principal Meridian in Allen County, Indiana, more particularly described as follows:

Commencing at a 1 inch brass pin found at the Southwest corner of the Southwest Quarter; thence North 00 degrees, 42 minutes, 00 seconds West, (assumed bearing and basis of bearings to follow), a distance of 2303.57 feet along the West line of the Southwest Quarter and the centerline of St. Joe Road; thence North 89 degrees, 06 minutes, 28 seconds East, a distance of 66.22 feet to a 5/8 inch steel rebar set on the east right-of-way line of St. Joe Road, also being the POINT OF BEGINNING of this description; thence North 00 degrees, 53 minutes, 32 seconds West, a distance of 50.00 feet along the right-of-way line to a 5/8 inch steel rebar set; thence North 89 degrees, 06 minutes, 28 seconds East, a distance of 198.29 feet; thence South 01 degrees, 15 minutes, 11 seconds East, a distance of 297.44 feet to a 5/8 inch steel rebar set; thence South 86 degrees, 42 minutes, 36 seconds East, a distance of 145.25 feet to a PK Nail set; thence South 89 degrees, 07 minutes, 22 seconds East, a distance of 314.36 feet to a 5/8 inch steel rebar set; thence South 00 degrees, 42 minutes, 09 seconds East, a distance of 791.69 feet to a 5/8 inch steel rebar set; thence South 88 degrees, 57 minutes, 06 seconds West, a distance of 50.00 feet to a 5/8 inch steel rebar set; thence South 01 degrees, 02 minutes, 54 seconds East, a distance of 25.48 feet to a 5/8 inch steel rebar set; thence South 89 degrees, 17 minutes, 51 seconds West, a distance of 41.66 feet to a 5/8 inch steel rebar set; thence North 01 degrees, 02 minutes, 54 seconds West, a distance of 38.87 feet to a 5/8 inch steel rebar set; thence North 89 degrees, 17 minutes, 51 seconds East, a distance of 41.74 feet to a 5/8 inch steel rebar set; thence North 00 degrees, 42 minutes, 09 seconds West, a distance of 264.24 feet to a 5/8 inch steel rebar set; thence South 89 degrees, 17 minutes, 51 seconds West, a distance of 65.00 feet to a 5/8 inch steel rebar set; thence North 00 degrees, 42 minutes, 09 seconds West, a distance of 60.00 feet to a 5/8 inch steel rebar set; thence North 89 degrees, 17 minutes, 51 seconds East, a distance of 65.00 feet to a 5/8 inch steel rebar set; thence North 00 degrees, 42 minutes, 09 seconds West, a distance of 743.35 feet to a 5/8 inch steel rebar set; thence South 89 degrees, 17 minutes, 51 seconds West, a distance of 44.11 feet to a 5/8 inch steel rebar set; thence North 00 degrees, 52 minutes, 38 seconds East, a distance of 46.59 feet to a 5/8 inch steel rebar set; thence North 89 degrees, 07 minutes, 22 seconds West, a distance of 223.93 feet to a PK Nail set; thence North 86 degrees, 42 minutes, 36 seconds West, a distance of 303.54 feet to a 5/8 inch steel rebar set; thence North 03 degrees, 17 minutes, 24 seconds East, a distance of 50.00 feet to a 5/8 inch steel rebar set; thence South 86 degrees, 42 minutes, 36 seconds East, a distance of 107.08 feet to a 5/8 inch steel rebar set; thence North 01 degrees, 15 minutes, 11 seconds West, a distance of 243.78 feet to a 5/8 inch steel rebar set; thence South 89 degrees, 06 minutes, 28 seconds West, a distance of 148.61 feet to the POINT OF BEGINNING. Containing 2.245 acres, more or less.

(g) As used in this SECTION, "parcel 4" refers to the following described real estate:

Part of the Southwest Quarter of Section 20, Township 31 North, Range 13 East of the Second Principal Meridian in Allen County, Indiana, more particularly described as follows:

Commencing at a 1 inch brass pin found at the Southwest corner of the Southwest Quarter; thence North 00 degrees, 42 minutes, 00 seconds West, (assumed bearing and basis of bearings to follow), a distance of 1334.23 feet along the west line of the Southwest Quarter and the centerline of St. Joe Road; thence North 89 degrees, 18 minutes, 00 seconds East, a distance of 63.73 feet to a 5/8 inch steel rebar set on the east right-of-way line of St. Joe Road, this point also being the POINT OF BEGINNING of this description, also being on a non-tangent curve, concave to the West, having a radius of 3864.72 feet; thence northerly along the curve and the right-of-way line a distance of 50.05 feet, having a

central angle of 00 degrees, 44 minutes, 31 seconds, and a chord of 50.05 feet bearing North 01 degrees, 51 minutes, 33 seconds East to a 5/8 inch steel rebar set; thence North 89 degrees, 18 minutes, 00 seconds East, a distance of 93.72 feet to a 5/8 inch steel rebar set; thence South 00 degrees, 42 minutes, 00 seconds East, a distance of 50.00 feet to a 5/8 inch steel rebar set; thence South 89 degrees, 18 minutes, 00 seconds West, a distance of 95.95 feet to the POINT OF BEGINNING. Containing 0.109 acres, more or less.

(h) The governor and the commissioner are authorized and directed on behalf of and in the name of the state of Indiana to convey parcel 1 to the grantee. The conveyance of parcel 1 shall be made without consideration.

(i) Conveyance of parcel 1 is subject to the following:

(1) Highways, easements, and restrictions of record.

(2) Use of parcel 1 by the grantee for the future growth and development of Ivy Tech State College in Fort Wayne, Indiana.

(j) If parcel 1 is used for any purpose other than for the future growth and development of Ivy Tech State College in Fort Wayne, Indiana, title to parcel 1 reverts to the state of Indiana, subject to subsection (k).

(k) The reversionary interest of the state described in subsection (j) is subject to any recorded liens and encumbrances on parcel 1 that result from an unsatisfied indebtedness incurred by the grantee to improve parcel 1 to carry out the purposes stated in subsection (i)(2).

(l) The conveyance under this SECTION must comply with IC 4-20.5-7 to the extent that IC 4-20.5-7 does not conflict with the intent of this SECTION, which is to provide for the transfer of parcel 1 to the grantee. The department shall have a quitclaim deed prepared to convey parcel 1 to the grantee. The deed must state the restrictions and conditions contained in subsections (i), (j), and (k). The commissioner and the governor shall sign the deed, and the seal of the state shall be affixed to the deed.

(m) The department shall deliver the completed deed to the grantee. The grantee shall have the deed recorded in Allen County, Indiana.

(n) The governor and the commissioner are authorized and directed on behalf of and in the name of the state of Indiana to grant easements to the grantee in parcel 2, parcel 3, and parcel 4 for the grantee and its invitees to have ingress to and egress from parcel 1 and to have access to utilities. The grant shall be made without consideration. The easements are subject to highways, other easements, and restrictions of record.

(o) The grantee shall have the easements recorded in Allen County, Indiana.

(p) The easements granted under subsection (n) must comply with IC 4-20.5-7 to the extent that IC 4-20.5-7 does not conflict with the intent of this SECTION for the grantee and its invitees to have adequate ingress to and egress from parcel 1 and to have access to utilities.

(r) This SECTION expires July 1, 2007."

Renumber all SECTIONS consecutively.

(Reference is to ESB 501 as reprinted February 26, 2002.)

R. MEEKS

SIMPSON

Senate Conferees

GREGG

ESPICH

House Conferees

The conference committee report was filed and read a first time.

#### CONFERENCE COMMITTEE REPORT

EHB 1196-1; filed March 14, 2002, at 7:53 p.m.

Mr. Speaker: Your Conference Committee appointed to confer with a like committee from the Senate upon Engrossed Senate Amendments to Engrossed House Bill 1196 respectfully reports that said two committee have conferred and agreed as follows to wit:

that the House recede from its dissent from all Senate amendments and that the House now concur in all Senate amendments to the bill and that the bill be further amended as follows:

Delete the title and insert the following:

A BILL FOR AN ACT to amend the Indiana Code concerning taxation and to make an appropriation.

Replace the effective dates in SECTIONS 48 through 56 with "[EFFECTIVE JANUARY 1, 2003]".

Page 4, line 30, delete "Eight" and insert "**Nine**".

Page 4, line 30, delete "(\$0.08)" and insert "(\$0.09)".

Page 4, line 35, delete "Two" and insert "**One**".

Page 4, line 35, delete "(\$0.02)" and insert "(\$0.01)".

Page 5, line 27, after "(b)(2), or" strike "subsection".

Page 5, line 27, after "(c)(1), or" delete "subsection".

Page 5, line 39, reset in roman "subsection".

Page 5, line 40, delete "subsections".

Page 7, delete lines 3 through 14.

Page 7, line 26, delete "IC 6-1.1-4-13" and insert "IC 6-1.1-4-13, AS AMENDED BY SEA 357-2002, SECTION 36,".

Page 7, line 39, delete "state board of tax commissioners".

Page 7, line 39, reset in roman "department of local".

Page 7, line 40, reset in roman "government finance".

Page 8, line 7, delete "state board of tax commissioners".

Page 8, line 7, reset in roman "department of local".

Page 8, line 8, reset in roman "government finance".

Page 8, line 38, delete "ADDED" and insert "AMENDED".

Page 8, line 38, delete "P.L. 198-2001," and insert "SEA 357-2002, SECTION 42,".

Page 8, line 39, delete "SECTION 18,".

Page 9, line 17, delete "state board of tax commissioners or the".

Page 9, line 21, delete "state board of tax commissioners or the".

Page 9, line 23, delete "state board or the".

Page 9, delete lines 36 through 42 begin a new paragraph and insert:

"SECTION 9. IC 6-1.1-4-32, AS AMENDED BY SEA 357-2002, SECTION 45, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 32. (a) **As used in this section, "contract" refers to a contract entered into under this section.**

**(b) As used in this section, "contractor" refers to a firm that enters into a contract with the department of local government finance under this section.**

**(c) As used in this section, "qualifying county" means a county having a population of more than four hundred thousand (400,000) but less than seven hundred thousand (700,000).**

**(d) Notwithstanding sections 15 and 17 of this chapter, a township assessor in a qualifying county may not appraise property, or have property appraised, for the general reassessment of real property to be completed for the March 1, 2002, assessment date. Completion of that general reassessment in a qualifying county is instead governed by this section. The only duty of:**

(1) a township assessor in a qualifying county; or

(2) a county assessor of a qualifying county;

with respect to that general reassessment is to provide to the department of local government finance or the department's contractor under subsection (c) **(e) any support and information requested by the department or the contractor. This subsection expires June 30, 2004.**

**(e) The department of local government finance shall select and contract with a nationally recognized certified public accounting firm with expertise in the appraisal of real property to appraise property for the general reassessment of real property in a qualifying county to be completed for the March 1, 2002, assessment date. The department of local government finance may enter into additional contracts to provide software or other auxiliary services to be used for the appraisal of property for the general reassessment. The contract applies for the appraisal of land and improvements with respect to all classes of real property in the qualifying county. The contract must include:**

(1) a provision requiring the appraisal firm to:

(A) prepare a detailed report of:

(i) expenditures made after July 1, 1999, and before the date of the report from the qualifying county's reassessment fund under section 28 of this chapter **(repealed); and**

(ii) the balance in the reassessment fund as of the date of the report; and

(B) file the report with:

(i) the legislative body of the qualifying county;

(ii) the prosecuting attorney of the qualifying county;

(iii) the department of local government finance; and

(iv) the attorney general;

(2) a fixed date by which the appraisal firm must complete all responsibilities under the contract;

(3) **subject to subsection (t),** a provision requiring the appraisal firm to use the land values determined for the qualifying county under section 13.6 of this chapter;

(4) a penalty clause under which the amount to be paid for appraisal services is decreased for failure to complete specified services within the specified time;

(5) a provision requiring the appraisal firm to make periodic reports to the department of local government finance;

(6) a provision stipulating the manner in which, and the time intervals at which, the periodic reports referred to in subdivision (5) are to be made;

(7) a precise stipulation of what service or services are to be provided;

(8) a provision requiring the appraisal firm to deliver a report of the assessed value of each parcel in a township in the qualifying county to the department of local government finance; and

(9) any other provisions required by the department of local government finance.

**After December 31, 2001, the department of local government finance has all the powers and duties of the state board of tax commissioners provided under a contract entered into under this subsection (as effective before January 1, 2002) before January 1, 2002. The contract is valid to the same extent as if it were entered into by the department of local government finance. However, a reference in the contract to the state board of tax commissioners shall be treated as a reference to the department of local government finance. The contract shall be treated for all purposes, including the application of IC 33-3-5-2.5, as the contract of the department of local government finance. If the department of local government finance terminates a contract before completion of the work described in this subsection, the department shall contract for completion of the work as promptly as possible under IC 5-22-6. This subsection expires June 30, 2004.**

**(f) At least one (1) time each month, the contractors that will make physical visits to the site of real property for reassessment purposes shall publish a notice under IC 5-3-1 describing the areas that are scheduled to be visited within the next thirty (30) days and explaining the purposes of the visit. The notice shall be published in a way to promote understanding of the purposes of the visit in the affected areas. After receiving the report of assessed values from the appraisal firm acting under a contract described in subsection (e), the department of local government finance shall give notice to the taxpayer and the county assessor, by mail, of the amount of the reassessment. The notice of reassessment is subject to appeal by the taxpayer to the Indiana board. The procedures and time limitations that apply to an appeal to the Indiana board of a determination of the department of local government finance apply to an appeal under this subsection. A determination by the Indiana board of an appeal under this subsection is subject to appeal to the tax court under IC 6-1.1-15. This subsection expires on the later of June 30, 2004, or the date a final determination is entered in the last pending appeal filed under this subsection.**

**(g) In order to obtain a review by the Indiana board under subsection (f), the taxpayer must file a petition for review with the appropriate county assessor within forty-five (45) days after the notice of the department of local government finance is given to the taxpayer under subsection (f). This subsection expires June 30, 2004.**

**(h) The department of local government finance shall mail the notice required by subsection (f) within ninety (90) days after the**

department receives the report for a parcel from the professional appraisal firm. **This subsection expires June 30, 2004.**

**(i)** ~~The qualifying county shall pay the cost of a~~ any contract under this section ~~which shall be paid without appropriation from the county property reassessment fund. of the qualifying county established under section 27 of this chapter.~~ **A contractor may periodically submit bills for partial payment of work performed under a contract. However, the maximum amount that the qualifying county is obligated to pay for all contracts entered into under subsection (e) for the general reassessment of real property in the qualifying county to be completed for the March 1, 2002, assessment date is twenty-five million five hundred thousand dollars (\$25,500,000). Notwithstanding any other law, a contractor is entitled to payment under this subsection for work performed under a contract if the contractor:**

- (1) submits, in the form required by IC 5-11-10-1, a fully itemized, certified bill for the costs under the contract of the work performed to the department of local government finance for review;**
- (2) obtains from the department of local government finance:**
  - (A) approval of the form and amount of the bill; and**
  - (B) a certification that the billed goods and services billed for payment have been received and comply with the contract; and**
- (3) files with the county auditor of the qualifying county:**
  - (A) a duplicate copy of the bill submitted to the department of local government finance;**
  - (B) the proof of approval provided by the department of local government finance of the form and amount of the bill that was approved; and**
  - (C) the certification provided by the department of local government finance that indicates that the goods and services billed for payment have been received and comply with the contract.**

**An approval and a certification under subdivision (2) shall be treated as conclusively resolving the merits of the claim. Upon receipt of the documentation described in subdivision (3), the county auditor shall immediately certify that the bill is true and correct without further audit, publish the claim as required by IC 36-2-6-3, and submit the claim to the county executive of the qualifying county. The county executive shall allow the claim, in full, as approved by the department of local government finance without further examination of the merits of the claim in a regular or special session that is held not less than three (3) days and not more than seven (7) days after completion of the publication requirements under IC 36-2-6-3. Upon allowance of the claim by the county executive, the county auditor shall immediately issue a warrant or check for the full amount of the claim approved by the department of local government finance. Compliance with this subsection shall be treated as compliance with section 28.5 of this chapter, IC 5-11-6-1, IC 5-11-10, and IC 36-2-6. The determination and payment of a claim in compliance with this subsection is not subject to remonstrance and appeal. IC 36-2-6-4(f) and IC 36-2-6-9 do not apply to a claim under this subsection. IC 5-11-10-1.6(d) applies to a fiscal officer who pays a claim in compliance with this subsection. This subsection expires June 30, 2004.**

**(j)** ~~Notwithstanding IC 4-13-2, a period of seven (7) days is permitted for each of the following to review and act under IC 4-13-2 on a contract of the department of local government finance under this section:~~

- ~~(1) The commissioner of the Indiana department of administration.~~
- ~~(2) The director of the budget agency.~~
- ~~(3) The attorney general.~~
- ~~(4) The governor.~~

**(k)** ~~With respect to a general reassessment of real property to be completed under section 4 of this chapter for an assessment date after the March 1, 2002, assessment date, the department of local government finance shall initiate a review with respect to the real property in a qualifying county or a township in a qualifying county,~~

~~or a portion of the real property in a qualifying county or a township in a qualifying county. The department of local government finance may contract to have the review performed by an appraisal firm. The department of local government finance or its contractor shall determine for the real property under consideration and for the qualifying county or township the variance between:~~

- ~~(1) the total assessed valuation of the real property within the qualifying county or township; and~~
- ~~(2) the total assessed valuation that would result if the real property within the qualifying county or township were valued in the manner provided by law.~~

**(l)** ~~If:~~

- ~~(1) the variance determined under subsection (h) (k) exceeds ten percent (10%); and~~
- ~~(2) the department of local government finance determines after holding hearings on the matter that a special reassessment should be conducted;~~

~~the department shall contract for a special reassessment by an appraisal firm to correct the valuation of the property.~~

**(m)** ~~If the variance determined under subsection (h) (k) is ten percent (10%) or less, the department of local government finance shall determine whether to correct the valuation of the property under:~~

- ~~(1) sections 9 and 10 of this chapter; or~~
- ~~(2) IC 6-1.1-14-10 and IC 6-1.1-14-11.~~

**(n)** ~~The department of local government finance shall give notice by mail to a taxpayer of a hearing concerning the department's intent to cause the taxpayer's property to be reassessed under this section. The time fixed for the hearing must be at least ten (10) days after the day the notice is mailed. The department of local government finance may conduct a single hearing under this section with respect to multiple properties. The notice must state:~~

- ~~(1) the time of the hearing;~~
- ~~(2) the location of the hearing; and~~
- ~~(3) that the purpose of the hearing is to hear taxpayers' comments and objections with respect to the department of local government finance's intent to reassess property under this chapter.~~

**(o)** ~~If the department of local government finance determines after the hearing that property should be reassessed under this section, the department shall:~~

- ~~(1) cause the property to be reassessed under this section;~~
- ~~(2) mail a certified notice of its final determination to the county auditor of the qualifying county in which the property is located; and~~
- ~~(3) notify the taxpayer by mail of its final determination.~~

**(p)** ~~A reassessment may be made under this section only if the notice of the final determination under subsection (k) (n) is given to the taxpayer within the same period prescribed in IC 6-1.1-9-3 or IC 6-1.1-9-4.~~

**(q)** ~~If the department of local government finance contracts for a special reassessment of property under this section, the department shall forward the bill for services of the contractor to the county auditor; and the qualifying county shall pay the bill, without appropriation, from the county property reassessment fund. A contractor may periodically submit bills for partial payment of work performed under a contract. Notwithstanding any other law, a contractor is entitled to payment under this subsection for work performed under a contract if the contractor:~~

- (1) submits, in the form required by IC 5-11-10-1, a fully itemized, certified bill for the costs under the contract of the work performed to the department of local government finance for review;**
- (2) obtains from the department of local government finance:**
  - (A) approval of the form and amount of the bill; and**
  - (B) a certification that the billed goods and services billed for payment have been received and comply with the contract; and**
- (3) files with the county auditor of the qualifying county:**
  - (A) a duplicate copy of the bill submitted to the department of local government finance;**

(B) the proof of approval provided by the department of local government finance of the form and amount of the bill that was approved; and

(C) the certification provided by the department of local government finance that indicates that the goods and services billed for payment have been received and comply with the contract.

An approval and a certification under subdivision (2) shall be treated as conclusively resolving the merits of the claim. Upon receipt of the documentation described in subdivision (3), the county auditor shall immediately certify that the bill is true and correct without further audit, publish the claim as required by IC 36-2-6-3, and submit the claim to the county executive of the qualifying county. The county executive shall allow the claim, in full, as approved by the department of local government finance without further examination of the merits of the claim in a regular or special session that is held not less than three (3) days and not more than seven (7) days after completion of the publication requirements under IC 36-2-6-3. Upon allowance of the claim by the county executive, the county auditor shall immediately issue a warrant or check for the full amount of the claim approved by the department of local government finance. Compliance with this subsection shall be treated as compliance with section 28.5 of this chapter, IC 5-11-6-1, IC 5-11-10, and IC 36-2-6. The determination and payment of a claim in compliance with this subsection is not subject to remonstrance and appeal. IC 36-2-6-4(f) and IC 36-2-6-9 do not apply to a claim under this subsection. IC 5-11-10-1.6(d) applies to a fiscal officer who pays a claim in compliance with this subsection.

(r) A township assessor in a qualifying county or a county assessor of a qualifying county official (as defined in IC 33-3-5-2.5) shall provide information requested in writing by the department of local government finance or the department's contractor under this section not later than seven (7) days after receipt of the written request from the department or the contractor. If a township assessor or county assessor qualifying official (as defined in IC 33-3-5-2.5) fails to provide the requested information within the time permitted in this subsection, the department of local government finance or the department's contractor may seek an order of the tax court under IC 33-3-5-2.5 for production of the information.

(s) The provisions of this section are severable in the manner provided in IC 1-1-1-8(b).

(t) A contract entered into under subsection (e) is subject to this subsection. A contractor shall use the land values determined for the qualifying county under section 13.6 of this chapter to the extent that the contractor finds that the land values reflect the true tax value of land, as determined under the statutes and the rules of the department of local government finance. If the contractor finds that the land values determined for the qualifying county under section 13.6 of this chapter do not reflect the true tax value of land, the contractor shall determine land values for the qualifying county that reflect the true tax value of land, as determined under the statutes and the rules of the department of local government finance. The land values determined by the contractor shall be used to the same extent as if the land values had been determined under section 13.6 of this chapter. The contractor shall notify the county assessor and the township assessors in the qualifying county of the land values as modified under this subsection. This subsection expires June 30, 2004.

(u) A contractor acting under a contract under subsection (e) may notify the department of local government finance if:

(1) the county auditor fails to:

- (A) certify the bill;
- (B) publish the claim;
- (C) submit the claim to the county executive; or
- (D) issue a warrant or check;

as required in subsection (i) at the first opportunity the county auditor is legally permitted to do so;

(2) the county executive fails to allow the claim as required in subsection (i) at the first opportunity the county executive is legally permitted to do so; or

(3) a person or entity authorized to act on behalf of the county takes or fails to take an action, including failure to request an appropriation, and that action or failure to act delays or halts the process under this section for payment of a bill submitted by a contractor under subsection (i).

This subsection expires June 30, 2004.

(v) The department of local government finance, upon receiving notice under subsection (u) from the contractor, shall:

(1) verify the accuracy of the contractor's assertion in the notice that:

(A) a failure occurred as described in subsection (b)(1) or (b)(2); or

(B) a person or entity acted or failed to act as described in subsection (b)(3); and

(2) provide to the treasurer of state the department of local government finance's approval under subsection (i)(2)(A) of the bill with respect to which the contractor gave notice under subsection (u).

This subsection expires June 30, 2004.

(w) Upon receipt of the approval of the department of local government finance under subsection (v), the treasurer of state shall pay the contractor the amount of the bill approved by the department of local government finance from money in the possession of the state that would otherwise be available for distribution to the qualifying county, including distributions from the property tax replacement fund or distributions of admissions taxes or wagering taxes. This subsection expires June 30, 2004.

(x) The treasurer of state shall withhold from the part attributable to the county of the next distribution to the county treasurer under IC 4-33-12-6, IC 4-33-13-5, IC 6-1.1-21-4(b), or another law the amount of any payment made by the treasurer of state to the contractor under subsection (w). Money shall be deducted first from money payable under IC 6-1.1-21.4(b) and then from all other funds payable to the qualifying county. This subsection expires June 30, 2004.

(y) Compliance with subsections (u) through (x) shall be treated as compliance with IC 5-11-10. This subsection expires June 30, 2004.

(z) IC 5-11-10-1.6(d) applies to the treasurer of state with respect to the payment made in compliance with subsections (u) through (x). This subsection and subsections (u) through (y) shall be interpreted liberally so that the state shall, to the extent legally valid, ensure that the contractual obligations of a county under this section are paid. Nothing in this subsection or subsections (u) through (y) shall be construed to create a debt of the state. This subsection expires June 30, 2004."

Delete pages 10 through 18.

Page 19, delete lines 1 through 28.

Page 20, delete lines 25 through 42.

Page 21, delete lines 1 through 2.

Page 21, line 30, delete "twenty-five" and insert "one hundred".

Page 21, line 30, delete "\$25" and insert "\$100".

Page 21, line 31, delete "twenty five" and insert "twenty-five".

Page 21, line 31, delete "of one".

Page 21, line 31, delete "(.025%)" and insert "(0.025%)".

Page 22, delete lines 9 through 20.

Page 22, delete lines 40 through 42.

Page 23, delete lines 1 through 22.

Page 23, between lines 22 and 23, begin a new paragraph and insert:

"SECTION 15. IC 6-1.1-10-42 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2000 (RETROACTIVE)]: **Sec. 42. (a)**

**A corporation that is:**

(1) nonprofit; and

(2) participates in the small business incubator program under IC 4-4-18;

is exempt from property taxation to the extent of tangible property used for small business incubation.



**(b) A corporation that wishes to obtain an exemption from property taxation under this section must file an exemption application under IC 6-1.1-11."**

Page 24, between lines 11 and 12, begin a new paragraph and insert:

"SECTION 17. IC 6-1.1-11-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 10. ~~Each county auditor shall, on behalf of the county, collect a fee of two dollars (\$2) for each exemption application filed with him under this chapter. Each fee shall be accounted for and paid into the county general fund at the close of each month in the same manner as are other fees due the county. No other fee may be charged by a county auditor, or his the county auditor's employees, for filing or preparing an exemption application."~~

Page 29, delete lines 40 through 42.

Delete pages 30 through 35.

Page 36, delete line 1.

Page 37, line 27, after "appeals." insert **"If after the conference there are no items listed in the petition on which there is disagreement:**

**(1) the township assessor shall give notice to the petitioner, the county property tax assessment board of appeals, and the county assessor of the assessment in the amount agreed to by the petitioner and the township assessor; and**

**(2) the county property tax assessment board of appeals may reserve the right to change the assessment under IC 6-1.1-9."**

Page 37, line 27, begin a new line blocked left beginning with "If".

Page 37, line 29, after "the" insert **"county"**.

Page 40, line 9, after "assessor." begin a new paragraph and insert **"(f)"**.

Page 40, line 11, delete "court," and insert "court

**(1)"**.

Page 40, line 14, delete "budget." and insert "budget; **and**

**(2) the petitioner may not be represented by the attorney general in an action described in subdivision (1)."**

Page 41, line 17, delete "P.L. 198-2001," and insert "SEA 357-2002, SECTION 139,".

Page 41, line 18, delete "SECTION 48,".

Page 41, line 19, reset in bold "(a)".

Page 41, line 24, delete "In a case meeting the requirements of section 5(e)(1) or".

Page 41, line 25, delete "5(e)(2) of this chapter,".

Page 41, line 25, reset in bold "The county executive".

Page 41, line 26, reset in bold "also has a right to appeal the".

Page 41, line 26, delete "Indiana board's".

Page 41, line 26, reset in bold "final determination of the".

Page 41, line 27, reset in bold "reassessment".

Page 41, line 28, reset in bold "but only upon".

Page 41, line 29, reset in bold "request by the county assessor".

Page 41, reset in bold line 30.

Page 41, line 31, reset in bold "prescribed in section".

Page 41, line 31, delete "5".

Page 41, line 31, reset in bold "of this chapter".

Page 41, line 42, delete "IC 6-1.1-17-3" and insert "IC 6-1.1-17-3, AS AMENDED BY SEA 357-2002, SECTION 148,".

Page 42, line 4, delete "state board of tax commissioners".

Page 42, line 4, reset in roman "department of local government".

Page 42, line 5, reset in roman "finance".

Page 42, line 29, delete "P.L. 178-2001," and insert "SEA 399-2002, SECTION 19,".

Page 42, line 30, delete "SECTION 1,".

Page 42, line 39, delete "ninety thousand".

Page 42, line 40, delete "(90,000) but less than one hundred ten thousand (110,000),".

Page 42, line 40, reset in roman "one".

Page 42, reset in roman line 41.

Page 42, line 42, reset in roman "twenty thousand (120,000),".

Page 44, block indent lines 27 through 34.

Page 44, delete lines 35 through 42.

Delete page 45.

Page 46, delete lines 1 through 32.

Page 46, line 33, delete "IC 6-1.1-18.5-12" and insert "IC 6-1.1-18.5-12, AS AMENDED BY SEA 357-2002, SECTION 167,".

Page 46, line 39, delete "state board of tax commissioners".

Page 46, line 39, reset in roman "department of local".

Page 46, line 40, reset in roman "government finance".

Page 47, line 3, delete "state board of tax commissioners".

Page 47, line 3, reset in roman "department of local".

Page 47, line 4, reset in roman "government finance".

Page 48, between lines 1 and 2, begin a new paragraph and insert:  
"SECTION 101. IC 6-1.1-18.5-13.6 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 13.6. For an appeal filed under section 12 of this chapter, the local government tax control board may recommend that the department of local government finance give permission to a county to increase its levy in excess of the limitations established under section 3 of this chapter if the local government tax control board finds that the county needs the increase to pay for:**

**(1) a new voting system; or**

**(2) the expansion or upgrade of an existing voting system; under IC 3-11-6."**

Page 48, line 2, delete "IC 6-1.1-19-2" and insert "IC 6-1.1-19-2, AS AMENDED BY SEA 357-2002, SECTION 175,".

Page 48, line 20, delete "state board of tax".

Page 48, line 21, delete "commissioners".

Page 48, line 21, reset in roman "department of local government finance".

Page 48, line 35, delete "state board of tax".

Page 48, line 36, delete "commissioners,".

Page 48, line 36, reset in roman "department of local government finance,".

Page 48, line 36, delete "board".

Page 48, line 37, reset in roman "department".

Page 48, line 41, delete "state board of tax commissioners".

Page 48, line 41, reset in roman "department of local".

Page 48, line 42, reset in roman "government finance".

Page 49, line 1, delete "board".

Page 49, line 1, reset in roman "department".

Page 51, line 20, delete "IC 6-1.1-20-3.2" and insert "IC 6-1.1-20-3.2, AS AMENDED BY SEA 357-2002, SECTION 192,".

Page 53, line 29, delete "state board of tax commissioners" and insert "department of local government finance".

Page 53, line 41, strike "IC 6-1.1-26-1-4(ii)" and insert **"section 1(4)(ii)"**.

Page 53, line 41, strike "IC 6-1.1-26-1-4(iii)." and insert **"1(4)(iii) of this chapter."**

Page 58, line 2, strike "of this section".

Page 59, line 2, after "a" insert **"properly approved"**.

Page 59, line 4, after "assessment." insert **"The contract must prohibit payment to the contractor for discovery of undervaluation or omission with respect to a parcel or personal property return before all appeals of the assessment of the parcel or the assessment under the return have been finalized."**

Page 59, line 18, delete "commission or".

Page 60, delete lines 9 through 42.

Page 61, delete lines 1 through 4.

Page 62, line 35, delete "is at least equal to" and inserts **"exceeds"**.

Page 62, line 37, after "located" insert **"by at least five percent (5%)"**.

Page 62, line 38, delete "one" and insert **"two"**.

Page 62, line 38, delete "(100)" and insert **"(200)"**.

Page 63, line 17, delete "\$1)" and insert **"and fifty cents (\$1.50)"**.

Page 64, line 11, after "18." insert **"(a)"**.

Page 64, between lines 21 and 22, begin a new paragraph and insert:

**"(b) For state fiscal years 2004 and 2005, the aggregate amount of credits awarded under this chapter for projects to retain existing jobs in Indiana may not exceed five million dollars (\$5,000,000) per year."**



Page 65, line 18, after "19.5." insert "(a)".

Page 66, between lines 9 and 10, begin a new line block indented and insert:

**"(7) A requirement that the chief executive officer of the company applying for a credit under this chapter must verify under penalty of perjury that the disparity between projected costs of the applicant's project in Indiana compared with the costs for the project in a competing site is real and actual."**

Page 66, line 10, delete "(7)" and insert "(8)".

Page 66, between lines 11 and 12, begin a new paragraph and insert:

**"(b) An agreement between an applicant and the board must be submitted to the budget committee for review and must be approved by the budget agency before an applicant is awarded a credit under this chapter for a project to retain existing jobs in Indiana."**

Page 66, line 30 delete "(1/2)" and insert "(1/2)".

Page 72, line 15, delete "in" and insert "if".

Page 73, line 27, delete "IC 6-3.5-1.1-9.5" and insert "IC 6-3.5-1.1-9.5, AS AMENDED BY SEA 357-2002, SECTION 292."

Page 74, line 28, delete "state board of tax commissioners." and insert "department of local government finance."

Page 74, line 29, delete "state board of tax commissioners" and insert "department of local government finance".

Page 74, line 40, strike "IC 6-3.5-1.1-15)" and insert **"section 15 of this chapter)"**.

Page 77, delete lines 28 through 42.

Delete page 78.

Page 79, delete lines 1 through 18.

Page 80, line 23, delete "Sec. 17. 2." and insert **"Sec. 17.2."**

Page 80, line 30, delete "IC 6-3.5-6-17.4;" and insert **"section 17.4 of this chapter;"**.

Page 80, line 31, delete "IC 6-3.5-6-17.5;" and insert **"section 17.5 of this chapter;"**.

Page 80, line 32, delete "IC 6-3.5-6-17.6;" and insert **"section 17.6 of this chapter;"**.

Page 80, line 36, delete "Sec. 17. 3." and insert **"Sec. 17.3."**

Page 81, line 7, delete "IC 6-3.5-6-17.4" and insert "IC 6-3.5-6-17.4, AS AMENDED BY SEA 399-2002, SECTION 33."

Page 81, line 10, delete "seven hundred (36,700)" and insert "seventy-five (36,075)".

Page 89, line 39, delete "state board of tax" and insert **"department of local government finance"**.

Page 89, line 40, delete "commissioners".

Page 92, delete lines 7 through 11.

Page 94, delete lines 26 through 32.

Page 98, line 6, after "or" insert "a".

Page 98, line 11, delete "age".

Page 98, line 11, delete "(55)." and insert **"(55) years of age."**

Page 98, line 29, delete "institution "" and insert **"institution""**.

Page 99, line 21, after "recipient's" insert **"interest in"**.

Page 99, line 23, delete "or" and insert **"and"**.

Page 99, line 33, delete "No lien shall" and insert **"A lien may not"**.

Page 99, line 33, after "filed" insert **"for at least thirty (30) days after the notice is given and"**.

Page 100, line 16, delete "office." and insert **"office on the Medicaid recipient's interest in the real property."**

Page 100, delete line 18 and insert: **"lien:**

**(1) is satisfied;**

**(2) is released; or**

**(3) expires."**

Page 100, between lines 24 and 25, begin a new line blocked left and insert:

**"The lien automatically expires unless the office commences a foreclosure action not later than nine (9) months after the Medicaid recipient's death."**

Page 101, line 10, delete "was discharged from" and insert **"is no longer living in"**.

Page 101, delete lines 17 through 22, begin a new paragraph and insert:

**"Sec. 10. (a) An exemption from the lien in the amount of one hundred twenty-five thousand dollars (\$125,000) applies to the:**

**(1) interest, in the case of a single interest; or**

**(2) combined total interests, in the case of multiple interests;**

**of the Medicaid recipient in all property subject to the lien."**

Page 101, line 37, after "farm," insert "a".

Page 101, line 38, before "income" insert **"an"**.

Page 102, line 8, after "Sec. 0.5." insert **"(a)"**.

Page 102, line 11, delete "and".

Page 102, delete lines 12 through 26, begin a new line block indented and insert:

**"(2) any interest in real property owned by the individual at the time of death that was conveyed to the individual's survivor through joint tenancy with right of survivorship, if the joint tenancy was created after June 30, 2002; and  
(3) any real or personal property conveyed through a nonprobate transfer.**

**(b) As used in this chapter, "nonprobate transfer" means a valid transfer, effective at death, by a transferor:**

**(1) whose last domicile was in Indiana; and**

**(2) who immediately before death had the power, acting alone, to prevent transfer of the property by revocation or withdrawal and:**

**(A) use the property for the benefit of the transferor; or**

**(B) apply the property to discharge claims against the transferor's probate estate.**

The term does not include transfer of a survivorship interest in a tenancy by the entireties real estate, transfer of a life insurance policy or annuity, or payment of the death proceeds of a life insurance policy or annuity."

Page 102, line 29, delete "This section applies only" and insert **"The office's claim against assets that are not included in the individual's probate estate may be enforced as set out in IC 32-4-1.1."**

**(b) Enforcement of a claim against assets that are not included in an individual's probate estate must be commenced not more than nine (9) months after the decedent's death. This limit does not apply to any assets that were not reported to the local office of the division of family and children."**

Page 102, delete lines 30 through 34.

Page 102, delete lines 38 through 42 and insert **"to real property owned by the individual at the time of death that was conveyed to the individual's survivor through joint tenancy with right of survivorship."**

**(b) The office may enforce its claim against property described in subsection (a) only to the extent that the value of the recipient's combined total interest in all real property described in subsection (a) subject to the claim exceeds one hundred twenty-five thousand dollars (\$125,000).**

**(c) This section expires January 1, 2008."**

Page 103, delete lines 1 through 12.

Page 107, line 25, delete "(c)" and insert **"(d)"**.

Page 107, between lines 26 and 27, begin a new paragraph and insert:

**"SECTION 87. IC 21-2-4-7 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 7. (a) The governing body of a school corporation may adopt a resolution to transfer after June 30, 2002, and before January 1, 2003, money that is:**

**(1) not greater than the remainder of the amount described in IC 21-3-1.7-8 STEP TWO (C) minus the amount transferred under IC 21-2-11.5-5(a) and IC 21-2-15-13.1(a); and**

**(2) on deposit in the school corporation's debt service fund; to the school corporation's general fund for use for any general fund purpose.**

(b) The governing body of a school corporation may adopt a resolution to transfer after December 31, 2002, and before July 1, 2003, money that is:

- (1) not greater than the remainder of the amount described in IC 21-3-1.7-8 STEP TWO (D) minus the amount transferred under IC 21-2-11.5-5(b) and IC 21-2-15-13.1(b); and
- (2) on deposit in the school corporation's debt service fund; to the school corporation's general fund for use for any general fund purpose.

(c) This section expires July 1, 2003.

SECTION 88. IC 21-2-11.5-5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 5. (a) The governing body of a school corporation may adopt a resolution to transfer after June 30, 2002, and before January 1, 2003, money that is:

- (1) not greater than the remainder of the amount described in IC 21-3-1.7-8 STEP TWO (C) minus the amount transferred under IC 21-2-4-7(a) and IC 21-2-15-13.1(a); and
- (2) on deposit in the school corporation's:
  - (A) transportation fund;
  - (B) school bus replacement fund; or
  - (C) both the transportation fund and school bus replacement fund;

to the school corporation's general fund for use for any general fund purpose.

(b) The governing body of a school corporation may adopt a resolution to transfer after December 31, 2002, and before July 1, 2003, money that is:

- (1) not greater than the remainder of the amount described in IC 21-3-1.7-8 STEP TWO (D) minus the amount transferred under IC 21-2-4-7(b) and IC 21-2-15-13.1(b); and
- (2) on deposit in the school corporation's:
  - (A) transportation fund;
  - (B) school bus replacement fund; or
  - (C) both the transportation fund and school bus replacement fund;

to the school corporation's general fund for use for any general fund purpose.

(c) This section expires July 1, 2003.

SECTION 89. IC 20-4-57 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]:

#### Chapter 57. Annexation of a Township School Corporation

Sec. 1. As used in this chapter, "annexing corporation" refers to a school corporation that has annexed all or part of any territory of a township school.

Sec. 2. As used in this chapter, "department" refers to the department of education.

Sec. 3. As used in this chapter, "township" refers to a township where any part of a township school was located.

Sec. 4. As used in this chapter, "township school" refers to:

- (1) a township school that loses territory to an annexing corporation as a result of an annexation;
- (2) the township school's successor; or
- (3) the township.

Sec. 5. (a) An annexing corporation may file a petition of appeal with the department of local government finance for emergency financial relief.

(b) The annexing corporation shall serve the petition on the following:

- (1) The department.
- (2) The township.
- (3) The township school.
- (4) Any other annexing corporation that annexed the township school on the same date.

(c) All annexing corporations are parties to the petition.

Sec. 6. If the department of local government finance receives a petition of appeal under section 5 of this chapter, the department of local government finance shall submit the petition

to the school property tax control board established under IC 6-1.1-19-4.1 for a fact finding hearing.

Sec. 7. (a) If the department of local government finance submits a petition to the school property tax control board under section 5 of this chapter, the school property tax control board shall hold a fact finding hearing.

(b) At a hearing described in subsection (a), the school property tax control board shall determine the following:

(1) Whether the township school has made all payments required by any statute, including the following:

(A) P.L.32-1999.

(B) IC 20-4-4-7 and IC 20-4-16-3.

(C) The resolution or plan of annexation of the township school, including:

- (i) any amendment to the resolution or plan;
- (ii) any supporting or related documents; and
- (iii) any agreement between the township school and an annexing corporation relating to the winding up of affairs of the township school.

(2) The amount, if any, by which the township school is in arrears on any payment described in subdivision (1).

(3) Whether the township school has filed with the department all reports concerning the affairs of the township school, including all transfer tuition reports required for the two (2) school years immediately preceding the date on which the township school was annexed.

(c) In determining the amount of arrears under subsection (b)(2), the school property tax control board shall consider all amounts due to an annexing corporation, including the following:

(1) Any transfer tuition payments due to the annexing corporation.

(2) All levies, excise tax distributions, and state distributions received by the township school and due to the annexing corporation, including levies and distributions received by the township school after the date on which the township school was annexed.

(3) All excessive levies that the township school agreed to impose and pay to an annexing corporation but failed to impose.

(d) If, in a hearing under this section, a school property tax control board determines that a township school has:

(1) under subsection (b)(1), failed to make a required payment; or

(2) under subsection (b)(3), failed to file a required report; the department may act under section 8 of this chapter.

Sec. 8. (a) If a school property tax control board makes a determination under section 7(d) of this chapter, the department:

(1) may prohibit a township from:

(A) acquiring real estate;

(B) making a lease or incurring any other contractual obligation calling for an annual outlay by the township exceeding ten thousand dollars (\$10,000);

(C) purchasing personal property for a consideration greater than ten thousand dollars (\$10,000); and

(D) adopting or advertising a budget, tax levy, or tax rate for any calendar year;

until the township school has made all required payments under section 7(b)(1) of this chapter and filed all required reports under section 7(b)(3) of this chapter; and

(2) shall certify to the treasurer of state the amount of arrears determined under section 7(b)(3) of this chapter.

(b) Upon being notified of the amount of arrears certified under subsection (a)(2), the treasurer of state shall make payments from the funds of state to the extent, but not in excess, of any amounts appropriated by the general assembly for distribution to the township school, deducting the payments from any amount distributed to the township school.

Sec. 9. The department may grant permission to a township school or a township to impose an excess levy to satisfy its obligations under this chapter."

Page 107, line 27, delete "IC 21-2-15-11" and insert "IC 21-2-15-11, AS AMENDED BY SEA 357-2002, SECTION 448,".

Page 107, line 37, delete "effect" and insert "effect.".

Page 107, line 37, delete "for taxes payable in the year that immediately" and insert "**The adjusted property tax rate becomes the new maximum property tax rate for the levy for property taxes first due and payable in each year:**

**(1) after the general reassessment for which the adjustment was made takes effect; and**

**(2) before the next general reassessment takes effect.".**

Page 107, delete lines 38 through 40.

Page 107, line 41, reset in roman "new".

Page 107, line 41, delete "for taxes payable in".

Page 107, delete line 42.

Page 108, line 1, delete "reassessment of property takes effect".

Page 108, line 28, delete "state board of tax commissioners".

Page 108, line 28, reset in roman "department of local".

Page 108, line 29, reset in roman "government finance".

Page 108, between lines 30 and 31, begin a new paragraph and insert:

"SECTION 71. IC 21-2-15-13.1 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: **Sec. 13.1. (a) The governing body of a school corporation may adopt a resolution to transfer after June 30, 2002, and before January 1, 2003, money that is:**

**(1) not greater than the remainder of the amount described in IC 21-3-1.7-8 STEP TWO (C) minus the amount transferred under IC 21-2-4-7(a) and IC 21-2-11.5-5(a); and**

**(2) on deposit in the school corporation's capital projects fund;**

**to the school corporation's general fund for use for any general fund purpose.**

**(b) The governing body of a school corporation may adopt a resolution to transfer after December 31, 2002, and before July 1, 2003, money that is:**

**(1) not greater than the remainder of the amount described in IC 21-3-1.7-8 STEP TWO (D) minus the amount transferred under IC 21-2-4-7(b) and IC 21-2-11.5-5(b); and**

**(2) on deposit in the school corporation's capital projects fund;**

**to the school corporation's general fund for use for any general fund purpose.**

**(c) This section expires July 1, 2003.**

SECTION 73. IC 21-3-1.7-3.1, AS AMENDED BY P.L.291-2001, SECTION 240, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: **Sec. 3.1. (a) As used in this chapter, "previous year revenue" for calculations with respect to a school corporation equals:**

**(1) the school corporation's tuition support for regular programs, including basic tuition support, and excluding:**

**(A) special education grants;**

**(B) vocational education grants;**

**(C) at-risk programs;**

**(D) the enrollment adjustment grant;**

**(E) for 1999 and thereafter, the academic honors diploma award; and**

**(F) for 2001 and thereafter, the primetime distribution;**

**for the year that precedes the current year; plus**

**(2) the school corporation's tuition support levy for the year that precedes the current year before the reductions required under section 5(1), 5(2), and 5(3) of this chapter; plus**

**(3) distributions received by the school corporation under IC 6-1.1-21.6 for the year that precedes the current year; plus**

**(4) the school corporation's excise tax revenue for the year that precedes the current year by two (2) years; minus**

**(5) an amount equal to the reduction in the school corporation's tuition support under subsection (b) or IC 20-10.1-2-1, or both; plus**

**(6) in calendar year 2003, the amount determined for calendar year 2002 under section 8 of this chapter, STEP TWO (C); plus**

**(7) in calendar year 2004, the amount determined for calendar year 2002 under section 8 of this chapter, STEP TWO (D).**

**(b) A school corporation's previous year revenue shall be reduced if:**

**(1) the school corporation's state tuition support for special or vocational education was reduced as a result of a complaint being filed with the department of education after December 31, 1988, because the school program overstated the number of children enrolled in special or vocational education programs; and**

**(2) the school corporation's previous year revenue has not been reduced under this subsection more than one (1) time because of a given overstatement.**

The amount of the reduction equals the amount the school corporation would have received in tuition support for special and vocational education because of the overstatement.

SECTION 75. IC 21-3-1.7-8, AS AMENDED BY P.L.291-2001, SECTION 95, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: **Sec. 8. Notwithstanding IC 21-3-1.6 and subject to section 9 of this chapter, the state distribution for a calendar year for tuition support for basic programs for each school corporation equals the result determined using the following formula:**

**STEP ONE:**

**(A) For a school corporation not described in clause (B), determine the school corporation's result under STEP FIVE of section 6.7(b) of this chapter for the calendar year.**

**(B) For a school corporation that has target revenue per adjusted ADM for a calendar year that is equal to the amount under STEP ONE (A) of section 6.7(b) of this chapter, determine the sum of:**

**(i) the school corporation's result under STEP ONE of**

**section 6.7(b) of this chapter for the calendar year; plus**

**(ii) the amount of the annual decrease in federal aid to impacted areas from the year preceding the ensuing calendar year by three (3) years to the year preceding the ensuing calendar year by two (2) years; plus**

**(iii) the original amount of an excessive tax levy the school corporation imposed as a result of the passage, during the preceding year, of a referendum under IC 6-1.1-19-4.5(c) for taxes first due and payable during the year; plus**

**(iv) the part of the maximum general fund levy for the year that equals the original amount of the levy imposed by the school corporation to cover the costs of opening a new school facility during the preceding year.**

**STEP TWO: Determine the remainder of:**

**(A) the STEP ONE amount; minus**

**(B) the sum of:**

**(i) (A) the school corporation's tuition support levy; plus**

**(ii) (B) the school corporation's excise tax revenue for the year that precedes the current year by one (1) year;**

**(C) for the last six (6) months of calendar year 2002, the product of:**

**(i) the school corporation's assessed valuation for calendar year 2002 divided by one hundred (100); multiplied by**

**(ii) the lesser of three hundred twenty-eight ten-thousandths (0.0328) or the school corporation's capital projects fund tax rate for calendar year 2002 multiplied by five-tenths (0.5); and**

**(D) for the first six (6) months of calendar year 2003, the product of:**

**(i) the school corporation's assessed valuation for calendar year 2002 divided by one hundred (100); multiplied by**

**(ii) the lesser of three hundred twenty-eight ten-thousandths (0.0328) or the school corporation's**

**capital projects fund tax rate for calendar year 2002 multiplied by five-tenths (0.5).**

**STEP THREE: Determine the remainder of the STEP ONE amount minus the STEP TWO result.**

If the state tuition support determined for a school corporation under this section is negative, the school corporation is not entitled to any state tuition support. In addition, the school corporation's maximum general fund levy under IC 6-1.1-19-1.5 shall be reduced by the amount of the negative result.

SECTION 76. IC 21-3-1.7-9, AS AMENDED BY SEA 216-2002, SECTION 87, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 9. (a) Subject to the amount appropriated by the general assembly for tuition support, the amount that a school corporation is entitled to receive in tuition support for a year is the amount determined in section 8 of this chapter.

(b) If the total amount to be distributed as tuition support under this chapter, for enrollment adjustment grants under section 9.5 of this chapter, for at-risk programs under section 9.7 of this chapter, for academic honors diploma awards under section 9.8 of this chapter, ~~and for primetime distributions under IC 21-1-30, for special education grants under IC 21-3-2.1, and for vocational education grants under IC 21-3-12~~ for a particular year, exceeds:

- (1) three billion three hundred sixty-three million four hundred thousand dollars (\$3,363,400,000) in 2001;
- (2) ~~three billion four hundred seventy-one million one hundred thousand dollars (\$3,471,100,000)~~ three billion four hundred thirty-seven million one hundred thousand dollars (\$3,437,100,000) in 2002; and
- (3) ~~three billion five hundred ninety-four million two hundred thousand dollars (\$3,594,200,000)~~ three billion five hundred thirty-six million five hundred thousand dollars (\$3,536,500,000) in 2003;

the amount to be distributed for tuition support under this chapter to each school corporation during each of the last six (6) months of the year shall be reduced by the same dollar amount per ADM (as adjusted by IC 21-3-1.6-1.1) so that the total reductions equal the amount of the excess.

SECTION 77. IC 21-3-2.1 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]:

**Chapter 2.1. Special Education Grants**

**Sec. 1.** The definitions in IC 21-3-1.6 apply throughout this chapter.

**Sec. 2.** In addition to the amount a school corporation is entitled to receive in tuition support, each school corporation is entitled to receive a grant for special education programs. The amount of the special education grant is based on the count of eligible pupils enrolled in special education programs on December 1 of the preceding year in the corporation or in a transferee corporation.

**Sec. 3. (a)** In its nonduplicated count of pupils in programs for severe disabilities, a school corporation shall count each pupil served in any one (1) of the following programs:

- (1) Autism.
- (2) Dual sensory impairment.
- (3) Emotional handicap, full time.
- (4) Hearing impairment.
- (5) Severe mental handicap.
- (6) Multiple handicap.
- (7) Orthopedic impairment.
- (8) Traumatic brain injury.
- (9) Visual impairment.

**(b)** A pupil may be counted in only one (1) of the programs in this section even if the pupil is served in more than one (1) program.

**(c)** A pupil may not be included in the nonduplicated count in this section and in the nonduplicated count of pupils in programs for mild or moderate disabilities in section 4 of this chapter.

**Sec. 4. (a)** In its nonduplicated count of pupils in programs for mild and moderate disabilities, a school corporation shall count each pupil served in any one (1) of the following programs:

- (1) Emotional handicap, all other.

- (2) Learning disability.
- (3) Mild mental handicap.
- (4) Moderate mental handicap.
- (5) Other health impairment.

**(b)** A pupil may be counted in only one (1) of the programs in this section even if the pupil is served in more than one (1) program.

**(c)** A pupil may not be included in the nonduplicated count in this section and in the nonduplicated count of pupils in programs for severe disabilities in section 3 of this chapter.

**Sec. 5.** In its duplicated count of pupils in programs for communication disorders, a school corporation shall count each pupil served, even if the pupil is served in another special education program.

**Sec. 6. (a)** In its cumulative count of pupils in homebound programs, a school corporation shall count each pupil who received homebound instruction up to and including December 1 of the current year plus each pupil who received homebound instruction after December 1 of the prior school year.

**(b)** A school corporation may include a pupil in its cumulative count of pupils in homebound programs even if the pupil also is included in its nonduplicated count of pupils in programs for severe disabilities, its nonduplicated count of pupils in programs for mild and moderate disabilities, or its duplicated count of pupils in programs for communication disorders.

**Sec. 7.** The amount of the grant that a school corporation is entitled to receive for special education programs is equal to:

- (1) the nonduplicated count of pupils in programs for severe disabilities multiplied by:

(A) eight thousand forty-five dollars (\$8,045) in 2002; and

(B) eight thousand two hundred forty-six dollars (\$8,246) in 2003; plus

- (2) the nonduplicated count of pupils in programs of mild and moderate disabilities multiplied by:

(A) two thousand one hundred eighty-three dollars (\$2,183) in 2002; and

(B) two thousand two hundred thirty-eight dollars (\$2,238) in 2003; plus

- (3) the duplicated count of pupils in programs for communication disorders multiplied by:

(A) five hundred eighteen dollars (\$518) in 2002; and

(B) five hundred thirty-one dollars (\$531) in 2003; plus

- (4) the cumulative count of pupils in homebound programs multiplied by:

(A) five hundred eighteen dollars (\$518) in 2002; and

(B) five hundred thirty-one dollars (\$531) in 2003.

**Sec. 8.** Participation in a program is not required to the extent of full-time equivalency. The Indiana state board of education shall adopt rules further defining the nature and extent of participation and the type of program qualifying for approval. No count shall be made on any program that has not been approved by the Indiana state board of education or where a pupil is not participating to the extent required by any rule of the board.

**Sec. 9.** If a new special education program is created by rule of the Indiana state board of education or by the United States Department of Education, the Indiana state board of education shall determine whether the program shall be included in the list of programs for severe disabilities or in the list of programs for mild and moderate disabilities.

**Sec. 10.** This chapter expires January 1, 2004.

SECTION 89. IC 23-1-23-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 1. (a) A corporate name:

- (1) must contain the word "corporation", "incorporated", "company", or "limited", or the abbreviation "corp.", "inc.", "co.", or "ltd.", or words or abbreviations of like import in another language; and

- (2) except as provided in subsection (e), may not contain language stating or implying that the corporation is organized

for a purpose other than that permitted by IC 23-1-22-1 and its articles of incorporation.

(b) Except as authorized by subsections (c) and (d), a corporate name must be distinguishable upon the records of the secretary of state from:

- (1) the corporate name of a corporation or other business entity incorporated or authorized to transact business in Indiana;
- (2) a corporate name reserved or registered under section 2 or 3 of this chapter; and
- (3) the corporate name of a not-for-profit corporation incorporated or authorized to transact business in Indiana.

(c) A corporation may apply to the secretary of state for authorization to use a name that is not distinguishable upon the secretary of state's records from one (1) or more of the names described in subsection (b). The secretary of state shall authorize use of the name applied for if:

- (1) the other corporation files its written consent to the use, signed by any current officer of the corporation; or
- (2) the applicant delivers to the secretary of state a certified copy of the final judgment of a court of competent jurisdiction establishing the applicant's right to use the name applied for in Indiana.

(d) A corporation may use the name, including the fictitious name, of another domestic or foreign corporation that is used in Indiana if the other corporation is incorporated or authorized to transact business in Indiana and the proposed user corporation:

- (1) has merged with the other corporation;
- (2) has been formed by reorganization of the other corporation; or
- (3) has acquired all or substantially all of the assets, including the corporate name, of the other corporation.

(e) A bank holding company (as defined in 12 U.S.C. 1841) may use the word "bank" or "banks" as a part of its name. However, this subsection does not permit a bank holding company to advertise or represent itself to the public as affording the services or performing the duties that a bank or trust company only is entitled to afford and perform.

(f) Except as provided in IC 23-1-49-6, this article does not control the use of fictitious names.

SECTION 90. IC 23-1-38.5 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]:

#### **Chapter 38.5. Domestication and Conversion**

**Sec. 1. The following definitions apply throughout this chapter:**

- (1) "Converting entity" means:
  - (A) a domestic business corporation or a domestic other entity that adopts a plan of entity conversion; or
  - (B) a foreign other entity converting to a domestic business corporation.
- (2) "Surviving entity" means the corporation or other entity that is in existence immediately after consummation of an entity conversion under this chapter.

**Sec. 2. This chapter may not be used to effect a transaction that:**

- (1) converts an insurance company organized on the mutual principle to a company organized on a stock share basis;
- (2) converts a nonprofit corporation to a domestic corporation or other business entity; or
- (3) converts a domestic corporation or other business entity to a nonprofit corporation.

**Sec. 3. If a domestic or foreign business corporation, a nonprofit corporation, or another entity may not be a party to a merger without the approval of the department of financial institutions or the department of insurance, the corporation or other entity may not be a party to a transaction under this chapter without the prior approval of the department of financial institutions or the department of insurance.**

**Sec. 4. (a) A foreign business corporation may become a domestic business corporation only if the domestication is**

**permitted by the organic law of the foreign corporation. The laws of Indiana govern the effect of domesticating in Indiana under this chapter.**

**(b) A domestic business corporation may become a foreign business corporation only if the domestication is permitted by the laws of the foreign jurisdiction. Regardless of whether the laws of the foreign jurisdiction require the adoption of a plan of domestication, the domestication must be approved by the adoption by the corporation of a plan of domestication in the manner provided in this section. The laws of the foreign jurisdiction govern the effect of domesticating in that jurisdiction.**

**(c) The plan of domestication must include:**

- (1) a statement of the jurisdiction in which the corporation is to be domesticated;**
- (2) the terms and conditions of the domestication;**
- (3) the manner and basis of reclassifying the shares of the corporation following its domestication into:**
  - (A) shares or other securities;**
  - (B) obligations;**
  - (C) rights to acquire shares or other securities;**
  - (D) cash;**
  - (E) other property; or**
  - (F) any combination of the types of assets referred to in clauses (A) through (E); and**
- (4) any desired amendments to the articles of incorporation of the corporation following its domestication.**

**(d) If:**

- (1) a debt security, note, or similar evidence of indebtedness for money borrowed, whether secured or unsecured; or**
- (2) a contract of any kind;**

**that is issued, incurred, or executed by a domestic corporation before July 1, 2002, contains a provision applying to a merger of the corporation and the document does not refer to a domestication of the corporation, the provision applies to a domestication of the corporation until the provision is amended after that date.**

**Sec. 5. In the case of a domestication of a domestic business corporation in a foreign jurisdiction, the following apply:**

- (1) The plan of domestication must be adopted by the board of directors.**
- (2) After adopting the plan of domestication, the board of directors must submit the plan to the shareholders for their approval. The board of directors must also transmit to the shareholders a recommendation that the shareholders approve the plan, unless the board of directors makes a determination that because of conflicts of interest or other special circumstances it should not make that recommendation, in which case the board of directors must communicate to the shareholders the basis for that determination.**
- (3) The board of directors may condition its submission of the plan of domestication to the shareholders on any basis.**
- (4) If the approval of the shareholders is to be given at a meeting, the corporation must notify each shareholder, whether or not the shareholder is entitled to vote, of the meeting of shareholders at which the plan of domestication is to be submitted for approval. The notice must state that the purpose, or one (1) of the purposes, of the meeting is to consider the plan. The notice must contain or be accompanied by a copy or summary of the plan. The notice must include or be accompanied by a copy of the articles of incorporation as they will be in effect immediately after the domestication.**
- (5) Unless a greater requirement is established by the articles of incorporation or by the board of directors acting under subdivision (3), the plan of domestication may be submitted for the approval of the shareholders:**
  - (A) at a meeting at which a quorum consisting of at least a majority of the votes entitled to be cast on the plan exists; and**

(B) if any class or series of shares is entitled to vote as a separate group on the plan, at a meeting at which a quorum of the voting group consisting of at least a majority of the votes entitled to be cast on the domestication by that voting group is present.

(6) Separate voting on the plan of domestication by voting groups is required by each class or series of shares that:

(A) is to be reclassified under the plan of domestication into other securities, obligations, rights to acquire shares or other securities, cash, other property, or any combination of the types of assets referred to in this clause;

(B) would be entitled to vote as a separate group on a provision of the plan that, if contained in a proposed amendment to articles of incorporation, would require action by separate voting groups under IC 23-1-30-7; or

(C) is entitled under the articles of incorporation to vote as a voting group to approve an amendment of the articles.

(7) If any provision of the articles of incorporation, the bylaws, or an agreement to which any of the directors or shareholders are parties, adopted or entered into before July 1, 2002, applies to a merger of the corporation and that document does not refer to a domestication of the corporation, the provision applies to a domestication of the corporation until the provision is amended after that date.

Sec. 6. (a) After the domestication of a foreign business corporation has been authorized as required by the laws of the foreign jurisdiction, the articles of domestication must be executed by an officer or other duly authorized representative. The articles must set forth:

(1) the name of the corporation immediately before the filing of the articles of domestication and, if that name is unavailable for use in Indiana or the corporation desires to change its name in connection with the domestication, a name that satisfies the requirements of IC 23-1-23-1;

(2) the jurisdiction of incorporation of the corporation immediately before the filing of the articles of domestication in that jurisdiction; and

(3) a statement that the domestication of the corporation in Indiana was duly authorized as required by the laws of the jurisdiction in which the corporation was incorporated immediately before its domestication under this chapter.

(b) The articles of domestication must either contain all of the provisions that IC 23-1-21-2(a) requires to be set forth in articles of incorporation and any other desired provisions that IC 23-1-21-2(b) permits to be included in the articles of incorporation, or must have attached articles of incorporation. In either case, provisions that would not be required to be included in restated articles of incorporation may be omitted.

(c) The articles of domestication must be delivered to the secretary of state for filing, and are effective at the time provided in IC 23-1-18-4.

(d) If the foreign corporation is authorized to transact business in this state under IC 23-1-49, its certificate of authority is canceled automatically on the effective date of its domestication.

Sec. 7. (a) Whenever a domestic business corporation has adopted and approved, in the manner required by this chapter, a plan of domestication providing for the corporation to be domesticated in a foreign jurisdiction, an officer or another authorized representative of the corporation must execute articles of charter surrender on behalf of the corporation. The articles of charter surrender must set forth:

(1) the name of the corporation;

(2) a statement that the articles of charter surrender are being filed in connection with the domestication of the corporation in a foreign jurisdiction;

(3) a statement that the domestication was approved by the shareholders and, if voting by any separate voting group was required, by each separate voting group, in the manner

required by this chapter and the articles of incorporation; and

(4) the corporation's new jurisdiction of incorporation.

(b) The articles of charter surrender must be delivered by the corporation to the secretary of state for filing. The articles of charter surrender are effective at the time provided in IC 23-1-18-4.

Sec. 8. (a) When a domestication of a foreign business corporation in Indiana becomes effective:

(1) the title to all real and personal property, both tangible and intangible, held by the corporation remains in the corporation without reversion or impairment;

(2) the liabilities of the corporation remain the liabilities of the corporation;

(3) an action or proceeding pending against the corporation continues against the corporation as if the domestication had not occurred;

(4) the articles of domestication, or the articles of incorporation attached to the articles of domestication, constitute the articles of incorporation of the corporation;

(5) the shares of the corporation are reclassified into shares, other securities, obligations, rights to acquire shares or other securities, or cash or other property in accordance with the terms of the domestication as approved under the laws of the foreign jurisdiction, and the shareholders are entitled only to the rights provided by those terms and under those laws; and

(6) the corporation is considered to:

(A) be incorporated under the laws of Indiana for all purposes;

(B) be the same corporation without interruption as the corporation that existed under the laws of the foreign jurisdiction; and

(C) have been incorporated on the date it was originally incorporated in the foreign jurisdiction.

(b) When a domestication of a domestic business corporation in a foreign jurisdiction becomes effective, the foreign business corporation is considered to:

(1) appoint the secretary of state as its agent for service of process in a proceeding to enforce the rights of shareholders who exercise appraisal rights in connection with the domestication; and

(2) agree that it will promptly pay the amount, if any, to which shareholders are entitled under IC 23-1-40.

(c) The owner liability of a shareholder in a foreign corporation that is domesticated in Indiana is as follows:

(1) The domestication does not discharge owner liability under the laws of the foreign jurisdiction to the extent owner liability arose before the effective time of the articles of domestication.

(2) The shareholder does not have owner liability under the laws of the foreign jurisdiction for a debt, obligation, or liability of the corporation that arises after the effective time of the articles of domestication.

(3) The provisions of the laws of the foreign jurisdiction continue to apply to the collection or discharge of any owner liability preserved by subdivision (1), as if the domestication had not occurred and the corporation were still incorporated under the laws of the foreign jurisdiction.

(4) The shareholder has whatever rights of contribution from other shareholders are provided by the laws of the foreign jurisdiction with respect to any owner liability preserved by subdivision (1), as if the domestication had not occurred and the corporation were still incorporated under the laws of that jurisdiction.

Sec. 9. (a) Unless otherwise provided in a plan of domestication of a domestic business corporation, after the plan has been adopted and approved as required by this chapter, and at any time before the domestication has become effective, the plan of domestication may be abandoned by the board of directors without action by the shareholders.

(b) If a domestication is abandoned under subsection (a) after articles of charter surrender have been filed with the secretary of state but before the domestication has become effective, a statement that the domestication has been abandoned under this section, executed by an officer or other authorized representative, must be delivered to the secretary of state for filing before the effective date of the domestication. The statement is effective upon filing and the domestication is abandoned and may not become effective.

(c) If the domestication of a foreign business corporation in Indiana is abandoned under the laws of the foreign jurisdiction after articles of domestication have been filed with the secretary of state, a statement that the domestication has been abandoned, executed by an officer or other authorized representative, must be delivered to the secretary of state for filing. The statement is effective upon filing and the domestication is abandoned and may not become effective.

Sec. 10. (a) A domestic business corporation may become a domestic other entity under a plan of entity conversion. If the organic law of the other entity does not provide for a conversion, section 14 of this chapter governs the effect of converting to that form of entity.

(b) A domestic business corporation may become a foreign other entity only if the entity conversion is permitted by the laws of the foreign jurisdiction. The laws of the foreign jurisdiction govern the effect of converting to an other entity in that jurisdiction.

(c) A domestic other entity may become a domestic business corporation. Section 14 of this chapter governs the effect of converting to a domestic business corporation. If the organic law of a domestic other entity does not provide procedures for the approval of an entity conversion, the conversion must be adopted and approved, and the entity conversion effectuated, in the same manner as a merger of the other entity, and its interest holders are entitled to appraisal rights if appraisal rights are available upon any type of merger under the organic law of the other entity. If the organic law of a domestic other entity does not provide procedures for the approval of either an entity conversion or a merger, a plan of entity conversion must be adopted and approved, the entity conversion effectuated, and appraisal rights exercised, in accordance with the procedures set forth in this chapter and in IC 23-1-40. Without limiting the provisions of this subsection, a domestic other entity whose organic law does not provide procedures for the approval of an entity conversion is subject to subsection (e) and section 12(7) of this chapter. For purposes of applying this chapter and IC 23-1-40:

(1) the other entity and its interest holders, interests, and organic documents taken together are considered a domestic business corporation and the shareholders, shares, and articles of incorporation of a domestic business corporation, as the context may require; and

(2) if the business and affairs of the other entity are managed by a group of persons that is not identical to the interest holders, that group is considered the board of directors.

(d) A foreign other entity may become a domestic business corporation if the organic law of the foreign other entity authorizes it to become a corporation in another jurisdiction. The laws of this state govern the effect of converting to a domestic business corporation under this chapter.

(e) If a debt security, note, or similar evidence of indebtedness for money borrowed, whether secured or unsecured, or a contract of any kind, issued, incurred, or executed by a domestic business corporation before July 1, 2002, applies to a merger of the corporation and the document does not refer to an entity conversion of the corporation, the provision applies to an entity conversion of the corporation until the provision is amended after that date.

Sec. 11. A plan of entity conversion must include:

(1) a statement of the type of other entity that the surviving entity will be and, if it will be a foreign other entity, its jurisdiction of organization;

(2) the terms and conditions of the conversion;

(3) the manner and basis of converting the shares of the domestic business corporation following its conversion into interests or other securities, obligations, rights to acquire interests or other securities, cash, other property, or any combination of the types of assets referred to in this subdivision; and

(4) the full text, as in effect immediately after consummation of the conversion, of the organic documents of the surviving entity.

Sec. 12. In the case of an entity conversion of a domestic business corporation to a domestic other entity or foreign other entity, the following apply:

(1) The plan of entity conversion must be adopted by the board of directors.

(2) After adopting the plan of entity conversion, the board of directors must submit the plan to the shareholders for their approval. The board of directors must also transmit to the shareholders a recommendation that the shareholders approve the plan, unless the board of directors makes a determination that because of conflicts of interest or other special circumstances it should not make that recommendation, in which case the board of directors must communicate to the shareholders the basis for that determination.

(3) The board of directors may condition its submission of the plan of entity conversion to the shareholders on any basis.

(4) If the approval of the shareholders is to be given at a meeting, the corporation must notify each shareholder, whether or not entitled to vote, of the meeting of shareholders at which the plan of entity conversion is to be submitted for approval. The notice must state that the purpose, or one (1) of the purposes, of the meeting is to consider the plan. The notice must contain or be accompanied by a copy or summary of the plan. The notice must include or be accompanied by a copy of the organic documents as they will be in effect immediately after the entity conversion.

(5) Unless a greater requirement is established by the articles of incorporation or by the board of directors acting under subdivision (3), approval of the plan of entity conversion requires the approval of the shareholders at a meeting at which a quorum consisting of at least a majority of the votes entitled to be cast on the plan exists.

(6) In addition to the vote required under subdivision (5), separate voting on the plan of equity conversion by voting groups is also required by each class or series of shares. Unless the articles of incorporation, or the board of directors acting under subdivision (3), requires a greater vote or a greater number of votes to be present, if the corporation has more than one (1) class or series of shares outstanding, approval of the plan of entity conversion requires the approval of each separate voting group at a meeting at which a quorum of the voting group consisting of at least a majority of the votes entitled to be cast on the conversion by that voting group is present.

(7) If any provision of the articles of incorporation, the bylaws, or an agreement to which any of the directors or shareholders are parties, adopted or entered into before July 1, 2002, applies to a merger of the corporation and the document does not refer to an entity conversion of the corporation, the provision applies to an entity conversion of the corporation until the provision is subsequently amended.

(8) If as a result of the conversion one (1) or more shareholders of the corporation would become subject to owner liability for the debts, obligations, or liabilities of any other person or entity, approval of the plan of conversion



requires the execution, by each shareholder, of a separate written consent to become subject to the owner liability.

Sec. 13. (a) After conversion of a domestic business corporation to a domestic other entity has been adopted and approved as required by this chapter, articles of entity conversion must be executed on behalf of the corporation by any officer or other duly authorized representative. The articles must:

- (1) set forth the name of the corporation immediately before the filing of the articles of entity conversion and the name to which the name of the corporation is to be changed, which must satisfy the organic law of the surviving entity;
- (2) state the type of other entity that the surviving entity will be;
- (3) set forth a statement that the plan of entity conversion was duly approved by the shareholders in the manner required by this chapter and the articles of incorporation; and
- (4) if the surviving entity is a filing entity, either contain all of the provisions required to be set forth in its public organic document and any other desired provisions that are permitted, or have attached a public organic document, except that, in either case, provisions that would not be required to be included in a restated public organic document may be omitted.

(b) After the conversion of a domestic other entity to a domestic business corporation has been adopted and approved as required by the organic law of the other entity, an officer or another duly authorized representative of the other entity must execute articles of entity conversion on behalf of the other entity. The articles must:

- (1) set forth the name of the other entity immediately before the filing of the articles of entity conversion and the name to which the name of the other entity is to be changed, which must satisfy the requirements of IC 23-1-23-1;
- (2) set forth a statement that the plan of entity conversion was duly approved in accordance with the organic law of the other entity;
- (3) either contain all of the provisions that IC 23-1-21-2(a) requires to be set forth in articles of incorporation and any other desired provisions that IC 23-1-21-2(b) permits to be included in articles of incorporation, or have attached articles of incorporation, except that, in either case provisions that would not be required to be included in restated articles of incorporation of a domestic business corporation may be omitted.

(c) After the conversion of a foreign other entity to a domestic business corporation has been authorized as required by the laws of the foreign jurisdiction, articles of entity conversion must be executed on behalf of the foreign other entity by any officer or authorized representative. The articles must:

- (1) set forth the name of the other entity immediately before the filing of the articles of entity conversion and the name to which the name of the other entity is to be changed, which must satisfy the requirements of IC 23-1-23-1;
- (2) set forth the jurisdiction under the laws of which the other entity was organized immediately before the filing of the articles of entity conversion and the date on which the other entity was organized in that jurisdiction;
- (3) set forth a statement that the conversion of the other entity was duly approved in the manner required by its organic law; and
- (4) either contain all of the provisions that IC 23-1-21-2(a) requires to be set forth in articles of incorporation and any other desired provisions that IC 23-1-21-2(b) permits to be included in articles of incorporation, or have attached articles of incorporation, except that, in either case, provisions that would not be required to be included in

restated articles of incorporation of a domestic business corporation may be omitted.

(d) The articles of entity conversion must be delivered to the secretary of state for filing and take effect at the effective time provided in IC 23-1-18-4.

(e) If the converting entity is a foreign other entity that is authorized to transact business in Indiana under a provision of law similar to IC 23-1-49, its certificate of authority or other type of foreign qualification is canceled automatically on the effective date of its conversion.

Sec. 14. (a) Whenever a domestic business corporation has adopted and approved, in the manner required by this chapter, a plan of entity conversion providing for the corporation to be converted to a foreign other entity, articles of charter surrender must be executed on behalf of the other corporation by any officer or other duly authorized representative. The articles of charter surrender must set forth:

- (1) the name of the corporation;
- (2) a statement that the articles of charter surrender are being filed in connection with the conversion of the corporation to a foreign other entity;
- (3) a statement that the conversion was duly approved by the shareholders in the manner required by this chapter and the articles of incorporation;
- (4) the jurisdiction under the laws of which the surviving entity will be organized; and
- (5) if the surviving entity will be a nonfiling entity, the address of its executive office immediately after the conversion.

(b) The articles of charter surrender must be delivered by the corporation to the secretary of state for filing. The articles of charter surrender take effect on the effective time provided in IC 23-1-18-4.

Sec. 15. (a) When a conversion under this section in which the surviving entity is a domestic business corporation or domestic other entity becomes effective:

- (1) the title to all real and personal property, both tangible and intangible, of the converting entity remains in the surviving entity without reversion or impairment;
- (2) the liabilities of the converting entity remain the liabilities of the surviving entity;
- (3) an action or proceeding pending against the converting entity continues against the surviving entity as if the conversion had not occurred;
- (4) in the case of a surviving entity that is a filing entity, the articles of conversion, or the articles of incorporation or public organic document attached to the articles of conversion, constitute the articles of incorporation or public organic document of the surviving entity;
- (5) in the case of a surviving entity that is a nonfiling entity, the private organic document provided for in the plan of conversion constitutes the private organic document of the surviving entity;
- (6) the share or interests of the converting entity are reclassified into shares, interests, other securities, obligations, rights to acquire shares, interests, or their securities, or into cash or other property in accordance with the plan of conversion, and the shareholders or interest holders of the converting entity are entitled only to the rights provided in the plan of conversion and to any rights they may have under IC 23-1-40; and
- (7) the surviving entity is considered to:
  - (A) be a domestic business corporation or other entity for all purposes;
  - (B) be the same corporation or other entity without interruption as the converting entity that existed before the conversion; and
  - (C) have been incorporated or otherwise organized on the date that the converting entity was originally incorporated or organized.

(b) When a conversion of a domestic business corporation to a foreign other entity becomes effective, the surviving entity is considered to:

(1) appoint the secretary of state as its agent for service of process in a proceeding to enforce the rights of shareholders who exercise appraisal rights in connection with the conversion; and

(2) agree that it will promptly pay the amount, if any, to which the shareholders referred to in subdivision (1) are entitled under IC 23-1-40.

(c) A shareholder who becomes subject to owner liability for some or all of the debts, obligations, or liabilities of the surviving entity is personally liable only for those debts, obligations, or liabilities of the surviving entity that arise after the effective time of the articles of entity conversion.

(d) The owner liability of an interest holder in an other entity that converts to a domestic business corporation is as follows:

(1) The conversion does not discharge any owner liability under the organic law of the other entity to the extent that any such owner liability arose before the effective time of the articles of entity conversion.

(2) The interest holder does not have owner liability under the organic law of the other entity for any debt, obligation, or liability of the corporation that arises after the effective time of the articles of entity conversion.

(3) The provisions of the organic law of the other entity continue to apply to the collection or discharge of any owner liability preserved by subdivision (1), as if the conversion had not occurred and the surviving entity were still the converting entity.

(4) The interest holder has whatever rights of contribution from other interest holders are provided by the organic law of the other entity with respect to any owner liability preserved by subdivision (1), as if the conversion had not occurred and the surviving entity were still the converting entity.

Sec. 16. (a) Unless otherwise provided in a plan of entity conversion of a domestic business corporation, after the plan has been adopted and approved as required by this chapter, and at any time before the entity conversion becomes effective, the plan of entity conversion may be abandoned by the board of directors without action by the shareholders.

(b) If an entity conversion is abandoned after articles of entity conversion or articles of charter surrender have been filed with the secretary of state but before the entity conversion becomes effective, a statement that the entity conversion has been abandoned under this section, executed by an officer or authorized representative, must be delivered to the secretary of state for filing before the effective date of the entity conversion. Upon filing the statement takes effect and the entity conversion is considered abandoned and shall not become effective.

SECTION 91. IC 23-1-40-8 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 8. (a) As used in this section, "other business entity" means a limited liability company, limited liability partnership, limited partnership, business trust, real estate investment trust, or any other entity that is formed under the requirements of applicable law and is not otherwise subject to section 1 of this chapter.

(b) As used in this section "surviving entity" means the corporation, limited liability company, limited liability partnership, limited partnership, business trust, real estate investment trust, or any other entity that is in existence immediately after consummation of a merger under this section.

(c) One (1) or more domestic corporations may merge with or into one (1) or more other business entities formed, organized, or incorporated under the laws of Indiana or any other state, the United States, a foreign country, or a foreign jurisdiction if the following requirements are met:

(1) Each domestic corporation that is a party to the merger complies with the applicable provisions of this chapter.

(2) Each domestic other business entity that is a party to the merger complies with the requirements of applicable law.

(3) The merger is permitted by the laws of the state, country, or jurisdiction under which each other business entity that is a party to the merger is formed, organized, or incorporated, and each other business entity complies with the laws in effecting the merger.

(4) The merging entities approve a plan of merger that sets forth the following:

(A) The name of each domestic corporation and the name and jurisdiction of formation, organization, or incorporation of each other business entity planning to merge, and the name of the surviving or resulting domestic corporation or other business entity into which each other domestic corporation or other business entity plans to merge.

(B) The terms and conditions of the merger.

(C) The manner and basis of converting the shares of each domestic corporation that is a party to the merger and the partnership interests, shares, obligations, or other securities of each other business entity that is a party to the merger into partnership interests, interests, shares, obligations, or other securities of the surviving entity or any other domestic corporation or other business entity or, in whole or in part, into cash or other property, and the manner and basis of converting rights to acquire the shares of each domestic corporation that is a party to the merger and rights to acquire partnership interests, interests, shares, obligations, or other securities of each other business entity that is a party to the merger into rights to acquire partnership interests, interests, shares, obligations, or other securities of the surviving entity or any other domestic corporation or other business entity or, in whole or in part, into cash or other property.

(D) If a partnership is to be the surviving entity, the names and business addresses of the general partners of the surviving entity.

(E) If a limited liability company is to be the surviving entity and management of the limited liability company is vested in one (1) or more managers, the names and business addresses of the managers.

(F) All statements required to be set forth in the plan of merger by the laws under which each other business entity that is a party to the merger is formed, organized, or incorporated.

(5) The plan of merger may set forth the following:

(A) If a domestic corporation is to be the surviving entity, any amendments to, or a restatement of, the articles of incorporation of the surviving entity, and the amendments or restatement will be effective at the effective date of the merger.

(B) Any other provisions relating to the merger.

(d) The plan of merger required by subsection (c)(4) must be adopted and approved by each domestic corporation that is a party to the merger in the same manner as is provided in this chapter.

(e) Notwithstanding subsection (c)(4), if the surviving entity is a partnership, a shareholder of a domestic corporation that is a party to the merger does not, as a result of the merger, become a general partner of the surviving entity, and the merger does not become effective under this chapter, unless:

(1) the shareholder specifically consents in writing to become a general partner of the surviving entity; and

(2) written consent is obtained from each shareholder who, as a result of the merger, would become a general partner of the surviving entity;

A shareholder providing written consent under this subsection is considered to have voted in favor of the plan of merger for purposes of this chapter.

**(f) This section, to the extent applicable, applies to the merger of one (1) or more domestic corporations with or into one (1) or more other business entities.**

**(g) Notwithstanding any other law, a merger consisting solely of the merger of one (1) or more domestic corporations with or into one (1) or more foreign corporations must be consummated solely according to the requirements of this section.**

SECTION 92. IC 23-4-1-45, AS AMENDED BY P.L.277-2001, SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 45. (a) To qualify as a limited liability partnership, a partnership under this chapter must do the following:

(1) File a registration with the secretary of state in a form determined by the secretary of state that satisfies the following:

(A) Is signed by one (1) or more partners authorized to sign the registration. A signature on a document under this clause that is transmitted and filed electronically is sufficient if the person transmitting and filing the document:

- (i) has the intent to file the document as evidenced by a symbol executed or adopted by a party with present intention to authenticate the filing; and
- (ii) enters the filing party's name on the electronic form in a signature box or other place indicated by the secretary of state.

(B) States the name of the limited liability partnership, which must:

- (i) contain the words "Limited Liability Partnership" or the abbreviation "L.L.P." or "LLP" as the last words or letters of the name; and
- (ii) be distinguishable upon the records of the secretary of state from the name of a limited liability partnership **or other business entity** registered to transact business in Indiana.

(C) States the address of the partnership's principal office.

(D) States the name of the partnership's registered agent and the address of the partnership's registered office for service of process as required to be maintained by section 50 of this chapter.

(E) Contains a brief statement of the business in which the partnership engages.

(F) States any other matters that the partnership determines to include.

(G) States that the filing of the registration is evidence of the partnership's intention to act as a limited liability partnership.

(2) File a ninety dollar (\$90) registration fee with the registration.

(b) The secretary of state shall grant limited liability partnership status to any partnership that submits a completed registration with the required fee.

(c) Registration is effective and a partnership becomes a limited liability partnership on the date a registration is filed with the secretary of state or at any later date or time specified in the registration. The registration remains effective until it is voluntarily withdrawn by filing with the secretary of state a written withdrawal notice under section 45.2 of this chapter.

(d) The status of a partnership as a limited liability partnership and the liability of a partner of a limited liability partnership is not adversely affected by errors or subsequent changes in the information stated in a registration under subsection (a).

(e) A registration on file with the secretary of state is notice that the partnership is a limited liability partnership and is notice of all other facts set forth in the registration.

SECTION 93. IC 23-4-1-53 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 53. (a) As used in this section, "other business entity" means a corporation, limited liability company, limited liability partnership, limited partnership, business trust, real estate investment trust, or any other entity that is formed under the requirements of applicable law.

(b) As used in this section, "surviving entity" means the corporation, limited liability company, limited liability partnership, limited partnership, business trust, real estate investment trust, or any

other entity that is in existence immediately after consummation of a merger under this section.

(c) One (1) or more domestic limited liability partnerships may merge with or into one (1) or more other business entities formed, organized, or incorporated under the laws of Indiana or any other state, the United States, a foreign country, or a foreign jurisdiction if the following requirements are met:

(1) Each domestic limited liability partnership that is a party to the merger complies with the applicable provisions of this chapter.

(2) Each domestic other business entity that is a party to the merger complies with the requirements of applicable law.

(3) The merger is permitted by the laws of the state, country or jurisdiction under which each other business entity that is a party to the merger is formed, organized, or incorporated, and each other business entity complies with the laws in effecting the merger.

(4) The merging entities approve a plan of merger that sets forth the following:

(A) The name of each domestic limited liability partnership and the name and jurisdiction of formation, organization, or incorporation of each other business entity planning to merge, and the name of the surviving or resulting domestic limited liability partnership or other business entity into which each other domestic limited liability partnership or other business entity plans to merge.

(B) The terms and conditions of the merger.

(C) The manner and basis of converting the partnership shares of the limited liability partnership that is a party to the merger and the partnership interests, shares, obligations, or other securities of each other business entity that is a party to the merger into partnership interests, interests, shares, obligations, or other securities of the surviving entity or any other domestic corporation or other business entity or, in whole or in part, into cash or other property, and the manner and basis of converting rights to acquire the shares of each domestic corporation that is a party to the merger and rights to acquire partnership interests, interests, shares, obligations, or other securities of each other business entity that is a party to the merger into rights to acquire partnership interests, interests, shares, obligations, or other securities of the surviving entity or any other domestic corporation or other business entity or, in whole or in part, into cash or other property.

(D) If a partnership is to be the surviving entity, the names and business addresses of the general partners of the surviving entity.

(E) If a limited liability company is to be the surviving entity and management of the limited liability company is vested in one (1) or more managers, the names and business addresses of the managers.

(F) All statements required to be set forth in the plan of merger by the laws under which each other business entity that is a party to the merger is formed, organized, or incorporated.

(5) The plan of merger may set forth the following:

(A) If a domestic corporation is to be the surviving entity, any amendments to, or a restatement of, the articles of incorporation of the surviving entity, and the amendments or restatement will be effective at the effective date of the merger.

(B) Any other provisions relating to the merger.

(d) The plan of merger required by subsection (c)(4) must be adopted and approved by each domestic limited liability partnership that is a party to the merger in the same manner as is provided in this chapter.

(e) Notwithstanding subsection (c)(4), if the surviving entity is a partnership, a shareholder of a domestic corporation that is a party to the merger does not, as a result of the merger, become a general partner of the surviving entity and the merger does not become effective under this chapter, unless:

- (1) the shareholder specifically consents in writing to become a general partner of the surviving entity; and
- (2) written consent is obtained from each shareholder who, as a result of the merger, would become a general partner of the surviving entity;

A shareholder providing written consent under this subsection is considered to have voted in favor of the plan of merger for purposes of this chapter.

(f) This section, to the extent applicable, applies to the merger of one (1) or more domestic limited liability partnerships with or into one (1) or more other business entities.

(g) Notwithstanding any other law, a merger consisting solely of the merger of one (1) or more domestic limited liability partnerships with or into one (1) or more foreign corporations must be consummated solely according to the requirements of this section.

SECTION 94. IC 23-16-2-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 1. (a) The name of each limited partnership as set forth in its certificate of limited partnership:

- (1) must contain the words "limited partnership" or the abbreviation "L.P.";
- (2) may not contain the name of a limited partner unless:
  - (A) it is also the name of a general partner or the corporate name of a corporate general partner; or
  - (B) the business of the limited partnership had been carried on under that name before the admission of that limited partner;
- (3) may not contain any word or phrase indicating or implying that it is organized other than for a purpose stated in its partnership agreement; and
- (4) except as provided in subsection (b), must be such as to distinguish it upon the records in the office of the secretary of state from the name of any limited partnership or other business entity reserved, registered, or organized under the laws of Indiana or qualified to do business or registered as a foreign limited partnership in Indiana.

(b) A limited partnership may apply to the secretary of state to use a name that is not distinguishable upon the secretary of state's records from one (1) or more of the names described in subsection (a). The secretary of state shall authorize use of the name applied for if:

- (1) the other domestic or foreign limited partnership or other business entity files its written consent to the use of its name, signed by any current general partner of the other limited partnership and verified subject to the penalties for perjury; or
- (2) the applicant delivers to the secretary of state a certified copy of a final court judgment establishing the applicant's right to use the name applied for in Indiana.

SECTION 95. IC 23-16-3-13 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 13. (a) As used in this section, "other business entity" means a corporation, limited liability company, limited liability partnership, limited partnership, business trust, real estate investment trust, or any other entity that is formed under the requirements of applicable law.

(b) As used in this section, "surviving entity" means the corporation, limited liability company, limited liability partnership, limited partnership, business trust, real estate investment trust, or any other entity that is in existence immediately after consummation of a merger under this section.

(c) One (1) or more domestic limited partnerships may merge with or into one (1) or more other business entities formed, organized, or incorporated under the laws of Indiana or any other state, the United States, a foreign country, or a foreign jurisdiction if the following requirements are met:

- (1) Each domestic limited partnership corporation that is a party to the merger complies with the applicable provisions of this chapter.
- (2) Each domestic other business entity that is a party to the merger complies with the requirements of applicable law.
- (3) The merger is permitted by the laws of the state, country, or jurisdiction under which each other business

entity that is a party to the merger is formed, organized, or incorporated, and each other business entity complies with the laws in effecting the merger.

(4) The merging entities approve a plan of merger that sets forth the following:

(A) The name of each domestic limited partnership and the name and jurisdiction of formation, organization, or incorporation of each other business entity planning to merge, and the name of the surviving or resulting domestic corporation or other business entity into which each other domestic corporation or other business entity plans to merge.

(B) The terms and conditions of the merger.

(C) The manner and basis of converting the limited partnership shares of each domestic limited partnership that is a party to the merger and the partnership interests, shares, obligations, or other securities of each other business entity that is a party to the merger into partnership interests, interests, shares, obligations, or other securities of the surviving entity or any other domestic corporation or other business entity or, in whole or in part, into cash or other property, and the manner and basis of converting rights to acquire the shares of each domestic corporation that is a party to the merger and rights to acquire partnership interests, interests, shares, obligations, or other securities of each other business entity that is a party to the merger into rights to acquire partnership interests, interests, shares, obligations, or other securities of the surviving entity or any other domestic corporation or other business entity or, in whole or in part, into cash or other property.

(D) If a partnership is to be the surviving entity, the names and business addresses of the general partners of the surviving entity.

(E) If a limited liability company is to be the surviving entity and management of the limited liability company is vested in one (1) or more managers, the names and business addresses of the managers.

(F) All statements required to be set forth in the plan of merger by the laws under which each other business entity that is a party to the merger is formed, organized, or incorporated.

(5) The plan of merger may set forth the following:

(A) If a domestic corporation is to be the surviving entity, any amendments to, or a restatement of, the articles of incorporation of the surviving entity, and the amendments or restatement will be effective at the effective date of the merger.

(B) Any other provisions relating to the merger.

(d) The plan of merger required by subsection (c)(4) will be adopted and approved by each domestic corporation that is a party to the merger in the same manner as is provided in this chapter.

(e) Notwithstanding subsection (c)(4), if the surviving entity is a partnership, a shareholder of a domestic corporation that is a party to the merger does not, as a result of the merger, become a general partner of the surviving entity and the merger does not become effective under this chapter, unless:

- (1) the shareholder specifically consents in writing to become a general partner of the surviving entity; and
- (2) written consent is obtained from each shareholder who, as a result of the merger, would become a general partner of the surviving entity;

A shareholder providing written consent under this subsection is considered to have voted in favor of the plan of merger for purposes of this chapter.

(f) This section, to the extent applicable, applies to the merger of one (1) or more domestic limited partnerships with or into one (1) or more other business entities.

(g) Notwithstanding any other law, a merger consisting solely of the merger of one (1) or more domestic limited partnerships

with or into one (1) or more foreign corporations must be made solely according to the requirements of this section.

SECTION 96. IC 23-18-2-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 8. (a) The name of each limited liability company as set forth in its articles of organization:

(1) must contain the words "limited liability company" or either of the following abbreviations:

(A) "L.L.C."; or

(B) "LLC";

(2) may contain the name of a member or manager; and

(3) except as provided in subsection (b), must be such as to distinguish the name upon the records of the office of the secretary of state from the name of any limited liability company **or other business entity** reserved, registered, or organized under the laws of Indiana or qualified to transact business as a foreign limited liability company in Indiana.

(b) A limited liability company may apply to the secretary of state to use a name that is not distinguishable upon the secretary of state's records from one (1) or more of the names described in subsection (a). The secretary of state shall authorize the use of the name applied for if:

(1) the other domestic or foreign limited liability company **or other business entity** files its written consent to the use of its name; or

(2) the applicant delivers to the secretary of state a certified copy of a final court judgment from a circuit or superior court in the state of Indiana establishing the applicant's right to use the name applied for in Indiana.

SECTION 97. IC 23-18-7-9 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 9. (a) As used in this section, "other business entity" means a corporation, limited liability company, limited liability partnership, limited partnership, business trust, real estate investment trust, or any other entity that is formed under the requirements of applicable law and is not otherwise subject to section 1 of this chapter.

(b) As used in this section, "surviving entity" means the corporation, limited liability company, limited liability partnership, limited partnership, business trust, real estate investment trust, or any other entity that is in existence immediately after consummation of a merger under this section.

(c) One (1) or more domestic limited liability companies may merge with or into one (1) or more other business entities formed, organized, or incorporated under the laws of Indiana or any other state, the United States, a foreign country, or a foreign jurisdiction if the following requirements are met:

(1) Each domestic limited liability company that is a party to the merger complies with the applicable provisions of this chapter.

(2) Each domestic other business entity that is a party to the merger complies with the requirements of applicable law.

(3) The merger is permitted by the laws of the state, country, or jurisdiction under which each other business entity that is a party to the merger is formed, organized, or incorporated, and each other business entity complies with the laws in effecting the merger.

(4) The merging entities approve a plan of merger that sets forth the following:

(A) The name of each domestic limited liability company and the name and jurisdiction of formation, organization, or incorporation of each other business entity planning to merge, and the name of the surviving or resulting domestic limited liability partnership or other business entity into which each other domestic limited liability partnership or other business entity plans to merge.

(B) The terms and conditions of the merger.

(C) The manner and basis of converting the limited liability company that is a party to the merger and the partnership interests, shares, obligations, or other

securities of each other business entity that is a party to the merger into partnership interests, interests, shares, obligations, or other securities of the surviving entity or any other domestic corporation or other business entity or, in whole or in part, into cash or other property, and the manner and basis of converting rights to acquire the shares of each domestic corporation that is a party to the merger and rights to acquire partnership interests, interests, shares, obligations, or other securities of each other business entity that is a party to the merger into rights to acquire partnership interests, interests, shares, obligations, or other securities of the surviving entity or any other domestic corporation or other business entity or, in whole or in part, into cash or other property.

(D) If a partnership is to be the surviving entity, the names and business addresses of the general partners of the surviving entity.

(E) If a limited liability company is to be the surviving entity and management thereof is vested in one (1) or more managers, the names and business addresses of the managers.

(F) All statements required to be set forth in the plan of merger by the laws under which each other business entity that is a party to the merger is formed, organized, or incorporated.

(5) The plan of merger may set forth the following:

(A) If a domestic corporation is to be the surviving entity, any amendments to, or a restatement of, the articles of incorporation of the surviving entity, and the amendments or restatement will be effective at the effective date of the merger.

(B) Any other provisions relating to the merger.

(d) The plan of merger required by subsection (c)(4) must be adopted and approved by each domestic limited liability company that is a party to the merger in the same manner as is provided in this chapter.

(e) Notwithstanding subsection (c)(4), if the surviving entity is a partnership, a shareholder of a domestic corporation that is a party to the merger does not, as a result of the merger, become a general partner of the surviving entity and the merger does not become effective under this chapter, unless:

(1) the shareholder specifically consents in writing to become a general partner of the surviving entity; and

(2) written consent is obtained from each shareholder who, as a result of the merger, would become a general partner of the surviving entity;

A shareholder providing written consent under this subsection is considered to have voted in favor of the plan of merger for purposes of this chapter.

(f) This section, to the extent applicable, applies to the merger of one (1) or more domestic limited liability companies with or into one (1) or more other business entities.

(g) Notwithstanding any other law, a merger consisting solely of the merger of one (1) or more domestic limited liability company with or into one (1) or more foreign corporations must be consummated solely according to the requirements of this section.

SECTION 98. IC 30-5-2-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 8. "Principal" means:

(1) an individual, including an individual acting as a:

(~~1~~) (A) trustee;

(~~2~~) (B) personal representative; or

(~~3~~) (C) fiduciary;

(2) a corporation;

(3) a limited liability company;

(4) a trust; or

(5) a partnership;

who signs a power of attorney granting powers to an attorney in fact.

SECTION 99. IC 33-3-5-2.5, AS AMENDED BY SEA 216-2002, SECTION 131, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2.5. (a) As used in this section, "qualifying county" means a county having a population of

more than four hundred thousand (400,000) and less than seven hundred thousand (700,000).

(b) As used in this section, "contractor" means ~~the~~ a general reassessment, **general reassessment review, or special reassessment** contractor of the department of local government finance under IC 6-1.1-4-32.

(c) As used in this section, "qualifying official" refers to any of the following:

- (1) A county assessor of a qualifying county.
- (2) A township assessor of a qualifying county.
- (3) The county auditor of a qualifying county.
- (4) The treasurer of a qualifying county.
- (5) The county surveyor of a qualifying county.
- (6) A member of the land valuation committee in a qualifying county.
- (7) Any other township or county official in a qualifying county who has possession or control of information necessary or useful for a general reassessment, general reassessment review, or special reassessment of property to which IC 6-1.1-4-32 applies, including information in the possession or control of an employee or a contractor of the official.
- (8) Any county official in a qualifying county who has control, review, or other responsibilities related to paying claims of a contractor submitted for payment under IC 6-1.1-4-32.

(d) Upon petition from

- (1) the department of local government finance or
- (2) ~~the~~ a contractor,

the tax court may order a ~~township assessor in a qualifying county or a county assessor of a qualifying county~~ **qualifying official** to produce information requested in writing from the ~~township assessor or county assessor~~ **qualifying official** by the department of local government finance or the contractor.

~~(d)~~ (e) If the tax court orders a ~~township assessor or county assessor~~ **qualifying official** to provide requested information as described in subsection ~~(e)~~; (d), the tax court shall order production of the information not later than fourteen (14) days after the date of the tax court's order.

~~(e)~~ (f) The tax court may find that any willful violation of this section by a ~~township assessor or county assessor~~ **qualifying official** constitutes a direct contempt of the tax court."

Page 108, line 31, delete "IC 33-3-5-12" and insert "IC 33-3-5-12, AS AMENDED BY SEA 357-2002, SECTION 458,".

Page 108, line 37, delete "state board of tax commissioners".

Page 108, line 37, reset in roman "Indiana board of tax review".

Page 110, delete lines 13 through 42, begin a new paragraph and insert:

"SECTION 103. IC 34-6-2-38, AS AMENDED BY P.L.250-2001, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 38. (a) "Employee" and "public employee", for purposes of section 91 of this chapter, IC 34-13-2, IC 34-13-3, IC 34-13-4, and IC 34-30-14, mean a person presently or formerly acting on behalf of a governmental entity, whether temporarily or permanently or with or without compensation, including members of boards, committees, commissions, authorities, and other instrumentalities of governmental entities, volunteer firefighters (as defined in IC 36-8-12-2), and elected public officials.

(b) The term also includes attorneys at law whether employed by the governmental entity as employees or independent contractors and physicians licensed under IC 25-22.5 and optometrists who provide medical or optical care to confined offenders (as defined in IC 11-8-1) within the course of their employment by or contractual relationship with the department of correction. However, the term does not include:

- (1) an independent contractor (other than an attorney at law, a physician, or an optometrist described in this section);
- (2) an agent or employee of an independent contractor;
- (3) a person appointed by the governor to an honorary advisory or honorary military position; or

(4) a physician licensed under IC 25-22.5 with regard to a claim against the physician for an act or omission occurring or allegedly occurring in the physician's capacity as an employee of a hospital.

(c) A physician licensed under IC 25-22.5 who is an employee of a governmental entity (as defined in IC 34-6-2-49) shall be considered a public employee for purposes of IC 34-13-3-3(21).

(d) For purposes of IC 34-13-3 and IC 34-13-4, the term includes a person that engages in an act or omission before July 1, 2004, in the person's capacity as:

- (1) a contractor under IC 6-1.1-4-32;
- (2) an employee acting within the scope of the employee's duties for a contractor under IC 6-1.1-4-32;
- (3) a subcontractor of the contractor under IC 6-1.1-4-32 that is acting within the scope of the subcontractor's duties; or
- (4) an employee of a subcontractor described in subdivision (3) that is acting within the scope of the employee's duties."

Page 111, delete lines 1 through 7.

Page 123, line 34, delete "IC 36-8-11-26" and insert "IC 36-8-11-26, AS AMENDED BY SEA 357-2002, SECTION 493,".

Page 124, line 4, delete "state board of tax commissioners;".

Page 124, line 4, reset in roman "department of local".

Page 124, line 5, reset in roman "government finance;".

Page 124, line 12, delete "IC 36-8-13-5" and insert "IC 36-8-13-5, AS AMENDED BY SEA 357-2002, SECTION 497,".

Page 124, line 24, delete "state board of tax commissioners;".

Page 124, line 24, reset in roman "department of local".

Page 124, line 25, reset in roman "government finance;".

Page 124, line 32, delete "IC 36-8-19-8.7" and insert "IC 36-8-19-8.7, AS AMENDED BY SEA 357-2002, SECTION 501,".

Page 125, line 2, delete "state board of tax commissioners;".

Page 125, line 2, reset in roman "department of local".

Page 125, line 3, reset in roman "government finance;".

Page 125, between lines 9 and 10, begin a new paragraph and insert:

Page 125, between lines 9 and 10, begin a new paragraph and insert:

"SECTION 127. IC 36-10-11-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. As used in this chapter:

"Authority" refers to a building authority created under this chapter.

"Building" means a structure or a part of a structure used for a civic center or a facility that is owned by the city and used by a professional sports franchise, including the site, landscaping, parking, heating facilities, sewage disposal facilities, and other related appurtenances and supplies necessary to make the building suitable for use and occupancy.

"Governmental entity" means a state agency, state university, or political subdivision.

SECTION 128. IC 36-10-11-33 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 33. (a) The fiscal body of the lessee shall adopt an ordinance creating a board of five (5) members to be known as the "Civic Center Board of Managers". The board of managers shall supervise, manage, operate, and maintain ~~the civic center~~ a building and its programs.

(b) A person appointed to the board of managers must be at least twenty-one (21) years of age and a resident of the lessee governmental entity for at least five (5) years. If the lessee is a city, three (3) of the managers shall be appointed by the city executive, and two (2) of the managers shall be appointed by the city legislative body. If the lessee is not a city, all five (5) managers shall be appointed by the fiscal body of the lessee. An officer or employee of a political subdivision may not serve as a manager. The managers serve for terms of three (3) years.

(c) Notwithstanding subsection (b), if the lessee is a city, initial terms of the managers appointed by the executive are as follows:

- (1) One (1) manager for a term of one (1) year.
- (2) One (1) manager for a term of two (2) years.

(3) One (1) manager for a term of three (3) years.

The initial term of one (1) of the managers appointed by the legislative body is two (2) years, and the other is three (3) years.

(d) Notwithstanding subsection (b), if the lessee is not a city, initial terms of the managers are as follows:

(1) One (1) manager for a term of one (1) year.

(2) Two (2) managers for terms of two (2) years.

(3) Two (2) managers for terms of three (3) years.

(e) A manager may be removed for cause by the appointing authority. Vacancies shall be filled by the appointing authority, and any person appointed to fill a vacancy serves for the remainder of the vacated term. The managers may not receive salaries, but shall be reimbursed for any expenses necessarily incurred in the performance of their duties.

(f) The board of managers shall annually elect officers to serve during the calendar year. The board of managers may adopt resolutions and bylaws governing its operations and procedure and may hold meetings as often as necessary to transact business and to perform its duties. A majority of the managers constitutes a quorum.

SECTION 129. IC 36-10-11-34 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 34. The board of managers may do the following:

(1) Receive and collect money due to or otherwise related to ~~the civic center;~~ **a building**; employ an executive manager, an associate manager, and other agents and employees that are considered necessary for the fulfillment of its duties, and fix the compensation of all employees. However, a contract of employment or other arrangement must be terminable at the will of the board of managers, except that a contract may be entered into with an executive manager for a period not exceeding four (4) years and subject to extension or renewal for similar or shorter periods.

(2) Let concessions for the operation of restaurants, cafeterias, public telephones, news and cigar stands, vending machines, caterers, and all other services considered necessary or desirable for the operation of ~~the civic center;~~ **a building**.

(3) Lease a part of ~~the civic center;~~ **a building** from time to time to any association, corporation, or individual, with or without the right to sublet.

(4) Fix charges and establish rules governing the use and operation of ~~the civic center;~~ **a building**.

(5) Accept gifts or contributions from individuals, corporations, limited liability companies, partnerships, associations, trusts, or foundations; accept funds, loans, or advances on the terms and conditions that the board of managers considers necessary or desirable from the federal government, the state, or any of their agencies or political subdivisions.

(6) Receive and collect all money due to the use or leasing of ~~the civic center;~~ **a building** or any part of it and from concessions or other contracts and expend that money for proper purposes.

(7) Provide coverage for its employees under IC 22-3 and IC 22-4.

(8) Purchase public liability and other insurance that it considers necessary.

(9) Make and enter into all contracts and agreements necessary or incidental to the performance of its duties and the execution of its powers under this chapter, including enforcement of them.

(10) Maintain and repair ~~the civic center;~~ **a building** and employ a building superintendent and other employees that are necessary to properly maintain ~~the civic center;~~ **a building**.

(11) Prepare and publish descriptive materials and literature relating to ~~the civic center;~~ **a building** and specifying the advantages of ~~the civic center;~~ **a building**; do all other acts and things that the board of managers considers necessary to promote and publicize ~~the civic center;~~ **a building** and serve the commercial, industrial, and cultural interests of Indiana and all its citizens by the use of ~~the civic center;~~ **a building**; and assist and cooperate with the state and other public, governmental, and private agencies and groups of citizens for those purposes.

(12) Supervise, manage, operate, and maintain any other public facility owned or leased by the lessee governmental entity or by an agency of it when so directed by a resolution adopted by the fiscal body of the entity.

(13) Exercise other powers and perform other duties not in conflict with this chapter that are specified by ordinance or resolution of the fiscal body of the lessee governmental entity.

(14) Perform all other acts necessarily incidental to its duties and the powers listed in this section.

SECTION 130. IC 36-10-11-35 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 35. (a) The board of managers shall prepare a budget for each calendar year governing the projected operating expenses, the estimated income, and reasonable reserves. It shall submit that budget for review, approval, or addition to the fiscal body of the lessee governmental entity.

(b) The board of managers may not make expenditures except as provided in the approved budget, and all additional expenditures are subject to approval by the fiscal body of the entity.

(c) Payments to the users of ~~the civic center;~~ **a building** or a part of it that constitute a contractual share of box office receipts are not considered an operating expense or an expenditure within the meaning of this section, and the board of managers may make those payments without approval.

SECTION 131. IC 36-10-11-36 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 36. (a) The fiscal officer of the lessee governmental entity shall act as controller of the board of managers and is responsible for proper safeguarding and accounting. The controller shall, with the approval of the board of managers, appoint an assistant to act as auditor for the board of managers.

(b) The assistant is the official custodian of all books of account and other financial records of the board of managers and has the other powers and duties that are delegated by the controller and the lesser powers and duties that the board of managers prescribes. The assistant, and any other employee or member of the board of managers authorized to receive, collect, or expend money, shall give bond for the faithful performance and discharge of all duties required of him in an amount and with surety and other conditions that are prescribed and approved by the board of managers.

(c) The assistant shall keep an accurate account of:

(1) all money due ~~the civic center;~~ **a building** and the board of managers; and

(2) all money received, invested, and disbursed;

in accordance with generally recognized governmental accounting principles and procedures. All accounting forms and records shall be prescribed or approved by the state board of accounts. The assistant shall issue all warrants for the payment of money from the funds of the board of managers in accordance with procedures prescribed by the board of managers, but a warrant may not be issued for the payment of any claim until an itemized and verified statement of the claim has been filed with the controller, who may require evidence that all amounts claimed are justly due. All warrants shall be countersigned by the controller or financial officer or by the executive manager. Payroll and similar warrants may be executed with facsimile signatures.

(d) If the board of managers or the lessee governmental entity has entered into any agreement to lease ~~civic center;~~ **building** facilities from the authority, the controller shall pay the lease rental to the authority within a reasonable period before the date on which principal or interest on any bonds outstanding issued under this chapter becomes due. The assistant shall submit to the board of managers at least annually a report of his accounts exhibiting the revenues, receipts, and disbursements and the sources from which the revenues and receipts were derived and the purpose and manner in which the disbursements were made. The board of managers may require that the report be prepared by a designated, independent certified public accountant. Handling and expenditure of funds is subject to audit and supervision by the state board of accounts.

SECTION 132. IC 2-5-1.1-18 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 18. There is annually



appropriated to legislative employers (as defined in IC 5-10-8) from the fund established under section 17 of this chapter sufficient funds to pay for employer paid benefit charges or premiums arising as a result of elections made by legislative employers under IC 5-10-8."

Page 126, delete lines 15 through 19.

Page 126, line 21, delete "(RETROACTIVE)]:" and insert "(RETROACTIVE)]".

Page 127, delete lines 8 through 42.

Page 128, delete lines 1 through 41.

Page 129, delete lines 35 through 42.

Page 130, delete lines 1 through 24.

Page 130, line 26, delete "(RETROACTIVE)]:" and insert "(RETROACTIVE)]".

Page 131, line 27, delete "of".

Page 131, line 28, delete "new" and insert "redevelopment or rehabilitation of real property under IC 6-1.1-12.1-3;"

Page 131, delete line 29.

Page 131, line 31, delete "IC 6-1.1-12.1-4.5" and insert "IC 6-1.1-12.1-3".

Page 131, line 35, delete "IC 6-1.1-12.1-5.5" and insert "IC 6-1.1-12.1-5".

Page 131, line 36, delete "IC 6-1.1-12.1-4.5" and insert "IC 6-1.1-12.1-3".

Page 131, line 37, delete "2001 and".

Page 131, line 40, delete "2001 and".

Page 132, line 3, delete "2001 and".

Page 132, line 3, delete "Notwithstanding any other law, the property".

Page 132, delete lines 4 through 8.

Page 132, between lines 8 and 9, begin a new paragraph and insert:

"SECTION 143. [EFFECTIVE JANUARY 1, 2003] (a) The excessive tax levy collected as a result of the approval of a referendum held under IC 6-1.1-19-4.5 (as effective January 1, 2002, or as amended by SEA 175-2002) in 2002 is considered a referendum tax levy to which the following apply:

(1) IC 6-1.1-19-4.5, IC 6-1.1-21-2, IC 21-3-1.7-3.1, IC 21-3-1.7-5, IC 21-3-1.7-6.8, and IC 21-3-1.7-8, all as amended by SEA 175-2002 and this act; and

(2) IC 21-2-11.6, as added by SEA 175-2002.

(b) To the extent possible, if there is a conflict between the provisions of SEA 175-2002 and this act, it is the intent of the general assembly that the two acts be read together and the policies in both acts be implemented into law.

SECTION 144. [EFFECTIVE JANUARY 1, 2000 (RETROACTIVE)]: (a) IC 6-1.1-10-42, as added by this act, applies only to property taxes first due and payable after December 31, 2000.

(b) This SECTION expires January 1, 2003.

SECTION 145. [EFFECTIVE UPON PASSAGE] (a) This SECTION applies to each SECTION under this act that:

(1) takes effect upon passage; and

(2) contains an amendment to a population parameter.

(b) The amendment to a population parameter described in subsection (a) takes effect April 1, 2002, and the amendment to other provisions in a SECTION described in subsection (a) takes effect upon passage of this act."

SECTION 82. [EFFECTIVE UPON PASSAGE] (a) Notwithstanding P.L.29-2001, SECTION 5, the total operating expense for all universities shall be reduced by \$29,000,000 for FY 2002-2003. The amount of the reduction for each main and regional campus equals the amount determined under STEP FOUR of the following formula:

STEP ONE: Determine the amount of the total operating appropriation to the campus.

STEP TWO: Determine the amount of the total operating appropriations for all university campuses.

STEP THREE: Divide the STEP ONE amount by the STEP TWO amount.

STEP FOUR: Multiply the STEP THREE amount by \$29,000,000.

(b) Notwithstanding P.L.29-2001, SECTIONS 5 and 38, and any other law, universities may use a part of the money allocated to them from the appropriation from the BUILD INDIANA FUND (BIF) (IC 4-30-27), FOR THE BUDGET AGENCY, Higher Education Technology, for operating expenses to defray the reductions under subsection (a). The amount available for operating expense may not exceed a total of \$29,000,000. The formula in subsection (a) shall be used to determine the amount main and regional campuses shall receive.

SECTION 91. [EFFECTIVE JULY 1, 2002] (a) Notwithstanding P.L.291-2001, SECTION 4, the appropriation FOR THE DEPARTMENT OF EDUCATION, DISTRIBUTION FOR TUITION SUPPORT, General Fund, Total Operating Expense for the state fiscal year beginning July 1, 2002, and ending June 30, 2003, is \$1,950,029,212 and not \$2,009,587,850.

(b) Notwithstanding P.L.291-2001, SECTION 4, the appropriation FOR THE DEPARTMENT OF EDUCATION, DISTRIBUTION FOR TUITION SUPPORT, Property Tax Relief Fund, Total Operating Expense for the state fiscal year beginning July 1, 2002, and ending June 30, 2003, is \$1,463,506,512 and not \$1,523,065,150."

Renumber all SECTIONS consecutively.

(Reference is to EHB 1196 as reprinted February 26, 2002.)

BAUER	BORST
ESPICH	SIMPSON
House Conferees	Senate Conferees

The conference committee report was filed and read a first time.

#### CONFERENCE COMMITTEE REPORT

ESB 52-1; filed March 14, 2002, at 7:55 p.m.

Mr. Speaker: Your Conference Committee appointed to confer with a like committee from the Senate upon Engrossed House Amendments to Engrossed Senate Bill 52 respectfully reports that said two committee have conferred and agreed as follows to wit:

that the Senate recede from its dissent from all House amendments and that the Senate now concur in all House amendments to the bill and that the bill be further amended as follows:

Page 9, delete lines 11 through 42.

Delete pages 10 through 11.

Page 12, delete lines 1 through 2.

Page 12, delete line 28.

Renumber all SECTIONS consecutively.

(Reference is to ESB 52 as printed February 22, 2002.)

BORST	COCHRAN
SIMPSON	ESPICH
Senate Conferees	House Conferees

The conference committee report was filed and read a first time.

#### RULES SUSPENSION

##### COMMITTEE REPORT

Mr. Speaker: Your Committee on Rules and Legislative Procedures has had under consideration House Rules 160.2 and 162.2 and recommends that Rule 160.2 be suspended so that the following conference committee reports may be eligible for consideration after March 1 and that House Rule 162.2 be suspended so that the following conference committee reports may be laid over on the members' desks for 2 hours, all so that the following conference committee reports may be eligible to be placed before the House for action: Engrossed House Bills 1001-1, 1088-1, 1101-1, 1121-1, 1257-1, 1292-1, 1329-1, and 1360-1 and Engrossed Senate Bills 71-1, 246-1, 290-1, 315-1, 401-1, 426-1, and 504-1.

MOSES, Chair

Report adopted.

#### HOUSE MOTION

Mr. Speaker: I move that House Rule 160.2 be suspended so that the following conference committee reports may be eligible for consideration after March 1 and that House Rule 162.2 be suspended so that the following conference committee reports may be laid over

on the members' desks for 2 hours, all so that the following conference committee reports may be eligible to be placed before the House for action: Engrossed House Bills 1001-1, 1088-1, 1101-1, 1121-1, 1257-1, 1292-1, 1329-1, and 1360-1 and Engrossed Senate Bills 71-1, 246-1, 290-1, 315-1, 401-1, 426-1, and 504-1.

MOSES

Motion prevailed.

Representative Turner was present.

## CONFERENCE COMMITTEE REPORTS

### Engrossed Senate Bill 315-1

The conference committee report was reread. Representatives Welch and Gregg were excused from voting. Roll Call 425: yeas 80, nays 2. Report adopted.

### Engrossed House Bill 1101-1

The conference committee report was reread. Roll Call 426: yeas 92, nays 1. Report adopted.

### Engrossed House Bill 1360-1

The conference committee report was reread. Roll Call 427: yeas 91, nays 2. Report adopted.

Representative Ruppel was excused for the rest of the day.

### Engrossed House Bill 1001-1

The conference committee report was reread. Roll Call 428: yeas 97, nays 0. Report adopted.

### Engrossed Senate Bill 407-1

The conference committee report was reread. Roll Call 429: yeas 89, nays 0. Report adopted.

### Engrossed Senate Bill 99-1

The conference committee report was reread. Roll Call 430: yeas 89, nays 0. Report adopted.

### Engrossed Senate Bill 509-1

The conference committee report was reread. Roll Call 431: yeas 89, nays 0. Report adopted.

### Engrossed Senate Bill 528-1

The conference committee report was reread. Roll Call 432: yeas 88, nays 0. Report adopted.

## RESOLUTIONS ON FIRST READING

### House Resolution 77

Representative Denbo introduced House Resolution 77:

A HOUSE RESOLUTION to honor Representative Gary Cook for his 12 years of distinguished service to the Indiana General Assembly and to congratulate him on his retirement from the Indiana House of Representatives.

*Whereas, Representative Gary Cook entered the Indiana House of Representatives in March 1990, replacing his father, the late Representative Ed Cook;*

*Whereas, Before his entrance into the political arena, Representative Cook had served 20 years on the Plymouth Police Department;*

*Whereas, Always the dedicated public servant, Representative Cook is currently the chief of police in Argos, Indiana;*

*Whereas, During his time in the Indiana House of Representatives, Representative Cook has served on the Roads and Transportation Committee and served as its chair;*

*Whereas, During his 12 years in the Indiana House of Representatives, Representative Cook has focused mainly on legislation to promote efficient and effective transportation policies,*

*the passage of bills to prevent child abuse, and legislation to ensure that there will be appropriate punishment for child abuse crimes;*

*Whereas, Because of his close connections to the law enforcement agencies, Representative Cook has also focused his attention and efforts to promote and advance the improvement and capabilities of state and local law enforcement agencies; and*

*Whereas, Representative Gary Cook cares deeply for the people of the state of Indiana and has served them well for the last 12 years; he will be missed: Therefore,*

*Be it resolved by the House of Representatives of the General Assembly of the State of Indiana:*

SECTION 1. That the Indiana General Assembly wishes to bid a fond farewell to Representative Gary Cook. Legislators and staff alike will miss him greatly. His departure will leave a void that will never be truly filled.

SECTION 2. That the Principal Clerk of the House of Representatives shall transmit a copy of this resolution to Representative Gary Cook and his family.

The resolution was read a first time and adopted by voice vote.

### House Resolution 78

Representative Denbo introduced House Resolution 78:

A HOUSE RESOLUTION to honor Representative Claire Leuck for her 16 years of distinguished service to the Indiana General Assembly and to congratulate her on her retirement from the Indiana House of Representatives.

*Whereas, Representative Claire Leuck came to the Indiana House of Representatives in 1986 from District 25;*

*Whereas, District 25 consists of all of Benton, Newton, and White County and portions of Carroll, Tippecanoe, and Warren County;*

*Whereas, Representative Leuck has an agricultural background and is a retired farmer;*

*Whereas, Representative Leuck feels strongly about the value of rural life in America and she, like the people of District 25, cares about quality jobs, schools, and preserving the traditions of farming that she feels are so close to the heart of what has made our country great;*

*Whereas, Representative Leuck has always been active in politics, serving as the Benton Circuit Court Clerk from 1974 to 1982;*

*Whereas, During her time in the Indiana General Assembly, Representative Leuck has served on the Insurance, Corporations, and Small Business Committee and the Ways and Means Committee;*

*Whereas, Representative Leuck has served the people of District 25 and Indiana honestly and sincerely for 16 years, and she will be missed by everyone whose life she has touched during her time in the General Assembly: Therefore,*

*Be it resolved by the House of Representatives of the General Assembly of the State of Indiana:*

SECTION 1. That on behalf of the people of Indiana, the Indiana General Assembly hereby extends its sincere respect, appreciation, and affection to Representative Claire Leuck for her dedicated and distinguished service to the people of Indiana, the Indiana House of Representatives, and the Indiana General Assembly.

SECTION 2. That the Principal Clerk of the House of Representatives transmit a copy of this resolution to Representative Leuck and her family.

The resolution was read a first time and adopted by voice vote.

### House Resolution 79

Representative Denbo introduced House Resolution 79:

A HOUSE RESOLUTION to honor Representative Richard Bodiker for his 16 years of distinguished service to the Indiana General Assembly and to congratulate him on his retirement from the Indiana House of Representatives.

*Whereas, Representative Richard Bodiker was born August 17, 1936;*

*Whereas, Representative Bodiker graduated from Richmond High School, Richmond, Indiana, in 1954 and has attended Ball State University and Indiana University—East;*

*Whereas, Representative Bodiker enjoys golf, Ball State athletics, and cooking with his wife Nancy;*

*Whereas, Before coming to the Indiana General Assembly, Representative Bodiker worked at Dana Corporation, where he was very active with the union;*

*Whereas, Active in local politics, Representative Bodiker was a member of the Richmond City Council from 1984 to 1986;*

*Whereas, Representative Bodiker was first elected to the Indiana House of Representatives in 1986;*

*Whereas, Representative Bodiker is currently serving as the chairman of the House Financial Institutions Committee;*

*Whereas, Representative Bodiker is an honest and decent man who has served the people of Indiana admirably during his tenure in the Indiana General Assembly, and he will be missed by everyone: Therefore,*

*Be it resolved by the House of Representatives of the General Assembly of the State of Indiana:*

SECTION 1. That on behalf of the people of the State of Indiana, the Indiana General Assembly hereby extends its sincere respect, appreciation, and affection to Representative Richard Bodiker for his dedicated and distinguished service to the people of Indiana, the Indiana House of Representatives, and the Indiana General Assembly.

SECTION 2. That the Principal Clerk of the House of Representatives transmit a copy of this resolution to Representative Richard Bodiker and his family.

The resolution was read a first time and adopted by voice vote.

The Speaker yielded the gavel to the Speaker Pro Tempore, Representative Dobis.

### House Resolution 80

Representative Denbo introduced House Resolution 80:

A HOUSE RESOLUTION to recognize and honor Indiana State Representative Dean Mock for his service and commitment to the Indiana House of Representatives and the State of Indiana.

*Whereas, Representative Mock served in the House of Representatives from 1976-1986 and 1988-2002;*

*Whereas, Some of the activities he is in are the American Federation of Musicians, Masons, Scottish Rite, Moose Lodge, the State Board of TV-Radio Service Examiners, the NFIB Champion Award, the Indiana Chamber of Commerce Small Business Award, and Nazarene Church;*

*Whereas, Representative Dean Mock never votes for a tax increase;*

*Whereas, Representative Dean Mock is known as the property tax “expert”;*

*Whereas, An expressway in St. Joseph County will be named after him—the Dean Mock Expressway;*

*Whereas, In 1985, Representative Dean Mock played a joke on his seat-mate, Representative Jerry Bales (a huge IU fan), by writing a false resolution citing his accomplishments and then stating that the State Legislature of Indiana admonished Bob Knight’s action of throwing a chair in a basketball game;*

*Whereas, A reporter did not know this was a joke, and he printed a story about Representative Mock trying to get Bob Knight fired;*

*Whereas, Representative Mock received hate mail from all over the country, and he claims that he lost the 1986 election because of this incident; and*

*Whereas, Representative Mock will be missed for his humor and hard work in the Indiana House of Representatives: Therefore,*

*Be it resolved by the House of Representatives of the General Assembly of the State of Indiana:*

SECTION 1. That the Indiana General Assembly recognize and honor Representative Dean Mock for his service in the State of Indiana and the Indiana House of Representatives.

SECTION 2. That the Principal Clerk of the House of Representatives transmit a copy of this resolution to Representative Dean Mock.

The resolution was read a first time and adopted by voice vote.

### House Resolution 81

Representative Denbo introduced House Resolution 81:

A HOUSE RESOLUTION to recognize and honor Indiana State Representative Brent Steele for his service and commitment to the Indiana House of Representatives.

*Whereas, Representative Steele has been serving as an Indiana State Representative since 1995;*

*Whereas, He is a deacon and active member of Dive Christian Church;*

*Whereas, He is learning how to speak Spanish and is planning on moving to Costa Rica (and running for President of Costa Rica in 2004—says his LA);*

*Whereas, Says his LA, Representative Steele still has food in his desk from his first session, and he will never again lick the cord to his laptop;*

*Whereas, He is the “NRA Defender of Freedom”;*

*Whereas, Representatives drive many types of vehicles, even beat up 1982 pickups that are not well taken in the legislative parking lot;*

*Whereas, Representative Steele also works as an attorney at Steele, Steele, McSoley, and McSoley;*

*Whereas, He and his wife, Sally, are the proud parents of four boys: Therefore,*

*Be it resolved by the House of Representatives of the General Assembly of the State of Indiana:*

SECTION 1. That the Indiana General Assembly recognize and honor Representative Brent Steele for his service in the State of Indiana and the Indiana House of Representatives.

SECTION 2. That the Principal Clerk of the House of Representatives transmit a copy of this resolution to Representative Brent Steele.

The resolution was read a first time and adopted by voice vote.

### House Resolution 82

Representative Denbo introduced House Resolution 82:

A HOUSE RESOLUTION to honor and recognize Indiana State Representative Mike Herndon for his service to his community and the Indiana General Assembly.

*Whereas, Representative Mike Herndon has been serving in the House of Representatives since the year 2000;*

*Whereas, He went to school at the Herron Art Institute of Indianapolis, the Indiana Law Enforcement Academy (graduated third in his class), and the Federal Bureau of Investigation in which he was a National Academy Graduate;*

*Whereas, Representative Herndon served in the United States Navy and was the Sheriff of Shelby County- 1990-1998;*

*Whereas, His “other job” is for Farm Bureau in the Special Investigations Unit;*

*Whereas, Representative Herndon is married to his loving and devoted wife, Marilyn Lea, and they have two children, Josh and Sara;*

*Whereas, Representative Herndon could get a job drawing caricatures of his favorite colleagues in the General Assembly; and,*

*Whereas, To quote his LA, “We know how much you are going to miss the activities of the General Assembly—YEAH RIGHT!”: Therefore,*

*Be it resolved by the House of Representatives  
of the General Assembly of the State of Indiana:*

SECTION 1. That the Indiana General Assembly recognize and honor Representative Michael Herndon for his service in the State of Indiana and the House of Representatives.

SECTION 2. That the Principal Clerk of the House of Representatives transmit a copy of this resolution to Representative Herndon.

The resolution was read a first time and adopted by voice vote.

## **OTHER BUSINESS ON THE SPEAKER'S TABLE**

### **MESSAGE FROM THE SENATE**

Mr. Speaker: I am directed by the Senate to inform the House that the Senate has adopted the Conference Committee Reports on Engrossed House Bills 1121-1, 1292-1, and 1360-1.

MARY C. MENDEL  
Principal Secretary of the Senate

### **MESSAGE FROM THE SENATE**

Mr. Speaker: I am directed by the Senate to inform the House that the Senate has adopted the Conference Committee Report on Engrossed Senate Bill 351-1.

MARY C. MENDEL  
Principal Secretary of the Senate

### **MESSAGE FROM THE SENATE**

Mr. Speaker: I am directed by the Senate to inform the House that the Senate has passed House Concurrent Resolution 63 and the same is herewith returned to the House.

MARY C. MENDEL  
Principal Secretary of the Senate

## **RULES SUSPENSION**

### **COMMITTEE REPORT**

Mr. Speaker: Your Committee on Rules and Legislative Procedures has had under consideration House Rules 160.2 and 162.2 and recommends that Rule 160.2 be suspended so that the following conference committee reports may be eligible for consideration after March 1 and that House Rule 162.2 be suspended so that the following conference committee reports may be laid over on the members' desks for 30 minutes, all so that the following conference committee reports may be eligible to be placed before the House for action: Engrossed House Bills 1108-1, 1195-1, 1196-1, and 1378-1 and Engrossed Senate Bills 52-1, 107-1, 217-1, 228-1, 351-1, and 501-1.

MOSES, Chair

Report adopted.

### **HOUSE MOTION**

Mr. Speaker: I move that House Rule 160.2 be suspended so that the following conference committee reports may be eligible for consideration after March 1 and that House Rule 162.2 be suspended so that the following conference committee reports may be laid over on the members' desks for 30 minutes, all so that the following conference committee reports may be eligible to be placed before the House for action: Engrossed House Bills 1108-1, 1195-1, 1196-1, and 1378-1 and Engrossed Senate Bills 52-1, 107-1, 217-1, 228-1, 351-1, and 501-1.

MOSES

Motion prevailed.

## **CONFERENCE COMMITTEE REPORTS**

### **Engrossed House Bill 1257-1**

The conference committee report was reread. Roll Call 433: yeas 84, nays 8. Report adopted.

The Speaker Pro Tempore yielded the gavel to the Speaker.

## **MOTIONS TO CONCUR IN SENATE AMENDMENTS**

### **HOUSE MOTION**

Mr. Speaker: I move that the House reconsider its actions whereby it dissented from the Senate amendments to Engrossed House Bill 1241 and that the House now concur in the Senate amendments to said bill.

LYTLE

Roll Call 434: yeas 94, nays 0. Motion prevailed.

## **CONFERENCE COMMITTEE REPORTS**

### **Engrossed House Bill 1329-1**

The conference committee report was reread. Roll Call 435: yeas 94, nays 0. Report adopted.

### **Engrossed House Bill 1088-1**

The conference committee report was reread. Roll Call 436: yeas 92, nays 0. Report adopted.

### **Engrossed Senate Bill 501-1**

The conference committee report was reread. Roll Call 437: yeas 93, nays 2. Report adopted.

### **Engrossed House Bill 1191-1**

The conference committee report was reread. Roll Call 438: yeas 89, nays 0. Report adopted.

### **Engrossed Senate Bill 217-1**

The conference committee report was reread. Roll Call 439: yeas 92, nays 0. Report adopted.

### **Engrossed House Bill 1121-1**

The conference committee report was reread. Roll Call 440: yeas 95, nays 0. Report adopted.

## **MOTIONS TO CONCUR IN SENATE AMENDMENTS**

### **HOUSE MOTION**

Mr. Speaker: I move that the House reconsider its actions whereby it dissented from the Senate amendments to Engrossed House Bill 1273 and that the House now concur in the Senate amendments to said bill.

KLINKER

Roll Call 441: yeas 93, nays 0. Motion prevailed.

## **CONFERENCE COMMITTEE REPORTS**

### **Engrossed House Bill 1195-1**

The conference committee report was reread. Roll Call 442: yeas 93, nays 1. Report adopted.

### **Engrossed House Bill 1108-1**

The conference committee report was reread. Roll Call 443: yeas 91, nays 2. Report adopted.

### **Engrossed House Bill 1378-1**

The conference committee report was reread. Roll Call 444: yeas 93, nays 0. Report adopted.

### **Engrossed House Bill 1196-1**

The conference committee report was reread. Roll Call 445: yeas 87, nays 7. Report adopted.

**Engrossed Senate Bill 426-1**

The conference committee report was reread. Roll Call 446: yeas 83, nays 10. Report adopted.

**Engrossed Senate Bill 52-1**

The conference committee report was reread. Roll Call 447: yeas 94, nays 0. Report adopted.

**Engrossed Senate Bill 107-1**

The conference committee report was reread. Roll Call 448: yeas 90, nays 2. Report adopted.

**Engrossed Senate Bill 290-1**

The conference committee report was reread. Roll Call 449: yeas 90, nays 0. Report adopted.

**Engrossed Senate Bill 228-1**

The conference committee report was reread. Roll Call 450: yeas 89, nays 2. Report adopted.

**Engrossed Senate Bill 246-1**

The conference committee report was reread. Roll Call 451: yeas 93, nays 0. Report adopted.

**Engrossed Senate Bill 504-1**

The conference committee report was reread. Roll Call 452: yeas 90, nays 1. Report adopted.

**Engrossed Senate Bill 401-1**

The conference committee report was reread. Roll Call 453: yeas 93, nays 0. Report adopted.

**HOUSE MOTION**

Mr. Speaker: I move that the House reconsider its action whereby the conference report on Engrossed Senate Bill 277 failed to pass for lack of a constitutional majority. I voted with the majority.

**CROOKS**

Motion prevailed.

**Engrossed Senate Bill 277-1**

The conference committee report was reread. Roll Call 454: yeas 92, nays 0. Report adopted.

**Engrossed Senate Bill 351-1**

The conference committee report was reread. Roll Call 455: yeas 89, nays 3. Report adopted.

**RESOLUTIONS ON FIRST READING****House Resolution 83**

Representative Denbo introduced House Resolution 83:

A HOUSE RESOLUTION to honor Representative Michael Dvorak for his 16 years of distinguished service to the Indiana General Assembly and to congratulate him on his retirement from the Indiana House of Representatives.

*Whereas, Representative Michael Dvorak was first elected to the Indiana House of Representatives in 1986 from District 8 in northern Indiana;*

*Whereas, Representative Dvorak is a graduate of St. Joseph's High School, Loyola University of Chicago, and Western State University College of Law;*

*Whereas, Representative Dvorak is known by his colleagues in the House as a passionate speaker who explains his issues like a professor presenting subject matter to a class;*

*Whereas, During his time in the House of Representatives, Representative Dvorak has served on the Courts and Criminal Code Study Committee and the Judiciary Committee;*

*Whereas, Representative Dvorak also served as chairman of the Courts and Criminal Code Study Committee;*

*Whereas, One of the most memorable pieces of legislation passed by Representative Dvorak was the 1993 anti-annexation bill for St. Joseph County, which stopped the cities of South Bend and Mishawaka from forcibly annexing residents who reside outside the two cities;*

*Whereas, Due to the size of his family, Representative Charlie Brown has nicknamed Representative Dvorak "Roger Rabbit"; and*

*Whereas, Representative Michael Dvorak is an honest and decent man who has served the people of northern Indiana admirably during his tenure in the Indiana General Assembly and who will be missed by everyone: Therefore,*

*Be it resolved by the House of Representatives of the General Assembly of the State of Indiana:*

SECTION 1. That on behalf of the people of the State of Indiana, the Indiana General Assembly hereby extends its sincere respect, appreciation, and affection to Representative Michael Dvorak for his dedicated and distinguished service to the people of Indiana, the Indiana House of Representatives, and the Indiana General Assembly.

SECTION 2. That the Principal Clerk of the House of Representatives transmit a copy of this resolution to Representative Michael Dvorak and his family.

The resolution was read a first time and adopted by voice vote.

**House Resolution 84**

Representative Denbo introduced House Resolution 84:

A HOUSE RESOLUTION to recognize and honor Representative Bruce Munson for his service and commitment to the Indiana House of Representatives.

*Whereas, Representative Bruce Munson has been serving the Indiana House of Representatives since 1992;*

*Whereas, He is the Assistant Republican Floor Leader, and he represents House District 35 which is Delaware County;*

*Whereas, Representative Munson attended Ball State University and received a B.S., and he attended Indiana University and received a J.D.;*

*Whereas, He is involved in the Central Indiana Old Car Club, the Muncie Bar Association, the Bar Association, and the High Street United Methodist Church;*

*Whereas, Representative Bruce Munson is also an attorney;*

*Whereas, He is married to his loving and committed wife, Kelli;*

*Whereas, Representative Bruce Munson is a radio announcer and is famous for his radio commercials for Ovation: Therefore,*

*Be it resolved by the House of Representatives of the General Assembly of the State of Indiana:*

SECTION 1. That the Indiana General Assembly recognize and honor Representative Bruce Munson for his service in the State of Indiana and the Indiana House of Representatives.

SECTION 2. That the Principal Clerk of the House of Representatives transmit a copy of this resolution to Representative Bruce Munson.

The resolution was read a first time and adopted by voice vote.

**House Resolution 85**

Representative Denbo introduced House Resolution 85:

A HOUSE RESOLUTION to recognize and honor Representative Dan Dumezich for his service and commitment to the Indiana House of Representatives.

*Whereas, Representative Dumezich has been serving as an Indiana State Representative since 1999;*

*Whereas, He took over former State Representative Tim Fesko's seat in 1999 and was then elected to the seat as the only Republican Representative from Lake County in 2000;*

*Whereas, Representative Dumezich was the first judge in Schererville Town Court;*

*Whereas, He worked for the law firm of Mayer, Brown, and Platt as an associate specializing in Tax Litigation and then, in 1997, he became a partner in the law firm of Mayer, Brown, and Platt;*

*Whereas, Representative Dumezich went to Western Michigan University on a football scholarship and graduated with a degree in accounting;*

*Whereas, He also attended and graduated from John Marshall Law School in the top 1% of his class;*

*Whereas, He has coached high school football and little league baseball in Highland; and*

*Whereas, He was married to his loving wife, Dana, in 1992, and they have two children, Alexandra, born in 1994, and Steve, born in 1995: Therefore,*

*Be it resolved by the House of Representatives of the General Assembly of the State of Indiana:*

SECTION 1. That the Indiana General Assembly recognize and honor Representative Dan Dumezich for his service in the State of Indiana and the Indiana House of Representatives.

SECTION 2. That the Principal Clerk of the House of Representatives transmit a copy of this resolution to Representative Dan Dumezich.

The resolution was read a first time and adopted by voice vote.

#### **House Resolution 86**

Representative Denbo introduced House Resolution 86:

A HOUSE RESOLUTION to honor Representative Gary Dillon for his dedicated service to the House of Representatives and to the State of Indiana.

*Whereas, Representative Dillon has been serving the State of Indiana in the House of Representatives since 1998;*

*Whereas, Representative Dillon was a dedicated Co-Chair of the Habitat for Humanity "Home the House Built" project;*

*Whereas, He is a Member of the Commission on the Social Status of Black Males and was named the Honorary Member of the Black Caucus in 2001;*

*Whereas, Representative Dillon was named "Freshman of the Year" by the National Republican Legislators Association;*

*Whereas, A Concurrent Resolution was passed which commended the Central Asian Free Exchange which helped bring credibility to the Uzbekistan Government;*

*Whereas, He is involved in the Legislators' Bible Study;*

*Whereas, Representative Dillon and his wife, Ann, attend Trinity Evangelical Presbyterian Church in Columbia City where he served as an elder and treasurer;*

*Whereas, Representative Dillon has traveled to Uzbekistan doing mission work and to Prague and Switzerland;*

*Whereas, Representative Dillon has been married to his devoted wife, Ann, for 34 years, and they have four children, David, Matt, Travis, and Meg, and four grandchildren;*

*Whereas, He also has a dog that always walks in the parades, Winston, who is named after his hero, Winston Churchill;*

*Whereas, His nickname as a kid was Matt/Marshall Dillon from the character in the television show "Gunsmoke";*

*Whereas, Representative Dr. Gary Dillon still makes house calls if someone is very ill and cannot make it to the doctor's office;*

*Whereas, He is concerned about the health of others, always arranging for CPR/defibrillator trainings and skin cancer screenings; and*

*Whereas, Since Representative Dillon is leaving the House of Representatives, will the health of the House members decline: Therefore,*

*Be it resolved by the House of Representatives of the General Assembly of the State of Indiana:*

SECTION 1. That the Indiana General Assembly recognize and honor Representative Dillon for his service in the State of Indiana in the House of Representatives.

SECTION 2. That the Principal Clerk of the House of Representatives transmit a copy of this resolution to Representative Dillon.

The resolution was read a first time and adopted by voice vote.

#### **House Resolution 87**

Representative Denbo introduced House Resolution 87:

A HOUSE RESOLUTION to honor Representative Mark Kruzan for his 16 years of distinguished service to the Indiana General Assembly and to congratulate him on his retirement from the Indiana House of Representatives.

*Whereas, Representative Mark Kruzan was born April 11, 1960, in Hammond, Indiana, to Richard and Dolores Kruzan; he has one sister, Karen;*

*Whereas, Representative Kruzan attended Indiana University, Bloomington, Indiana, as an undergraduate and graduate student, where he earned a bachelor of arts degree in journalism and political science and a law degree;*

*Whereas, Elected to the Indiana House of Representatives from District 61 in 1986, Representative Kruzan is retiring from the General Assembly upon completion of his current term of office after serving 16 years in the Indiana House of Representatives;*

*Whereas, Representative Kruzan is heavily involved with the environment and is concerned about the quality of air and water and the effects of PCB contamination;*

*Whereas, True to his environmental interests, Representative Kruzan served on two state committees whose main concern is protecting the environment—the Environmental Policy Commission from 1987-1996, serving as chairman of this committee from 1991-1994, and the Environmental Quality Service Council from 1994-2000, serving as vice chairman from 1994-1995;*

*Whereas, In addition to his interest in the environment, Representative Kruzan is also concerned about the expansion of home health care programs as an alternative to hospitalization or nursing home commitment, the amendment of the Aid to Families with Dependent Children (AFDC) welfare program to allow assistance to two-parent families where the parents are chronically unemployed, the passage of a Uniform Marital Property Act to protect the property rights of widows and divorcees, the creation of incentives for businesses and industries to establish at work daycare centers for women, and the revival of interest in the problems of Hoosier veterans whose health may have been compromised by Agent Orange defoliant in Vietnam;*

*Whereas, Representative Kruzan, who declares himself "a Cubs fan—I'm eternally optimistic", has served as majority leader of the Indiana House of Representatives since 1996 and was minority whip from 1994-1996;*

*Whereas, In addition to his duties on the environmental committee, Representative Kruzan has served on the Judiciary Committee from 1989-1996, serving as ranking majority member from 1992-1994 and ranking minority member from 1995-1996;*

*Whereas, Representative Kruzan has been a member of the Legislative Council from 1991-1995 and from 1996 to the present;*

*Whereas, Representative Kruzan strongly believes that "Indiana must invest in its future by adequately funding education to achieve excellence in our schools" and served on the Governor's Higher Education Strike Force in 1990;*

*Whereas, Representative Kruzan is respected and admired by his colleagues and is considered to be a "tireless advocate for Indiana University" and "one of the members who acts as the conscience of the House";*

*Whereas, Representative Kruzan has been a champion for the people of southern Indiana and has honestly and faithfully served his constituency in House District 61 throughout his tenure in the Indiana House of Representatives;*

*Whereas, Outside the House, Representative Kruzan has been a leader in the community, serving on the Big Brothers/Big Sisters board of directors, Middleway House/Rape Crisis Center board of directors, Students Organized Against Poverty board of directors, Monroe County Homelessness Task Force, Indiana Association for the Education of Young Children, Bloomington Child Care Advisory Board, Bloomington Press Club, Community Service Council, Bloomington Area Arts Council, Hoosier Hills Food Bank, Vietnam Era Veterans Alliance, NAACP, Bloomington Symphony Orchestra Society, Hoosier Environmental Council, and Greater Bloomington Chamber of Commerce, and is an IU Alumni Association Lifetime Member;*

*Whereas, In recognition of his many accomplishments, Representative Kruzan has received the following honors and awards: Indiana Insurance Institute Legislator of the Year in 1997, Indiana Department of Environmental Management Environmental Impact Award in 1996, Indiana Chapter National Association of Social Workers Citizen of the Year in 1995, Izaak Walton League Legislator of the Year in 1989, Government Leader Against Drunk Driving Award in 1990, Indiana Library Association Legislator of the Year in 1989, Hoosier Chapter Sierra Club Legislative Service Award in 1989, Hoosier Environmental Council Achievement Award in 1989, American Association of University Women Legislative Appreciation Award in 1989, Friend of the Child Prevent Child Abuse in Indiana in 2001, and ARC of Indiana Legislative Award in 1999; and*

*Whereas, Most of all, Representative Kruzan, with his wit, charm, and easy manner, is beloved, admired, and respected by everyone in the House, and his retirement will create a void in the Indiana House of Representatives that will be felt for years to come: Therefore,*

*Be it resolved by the House of Representatives of the General Assembly of the State of Indiana:*

SECTION 1. That on behalf of the people of the state of Indiana, the Indiana General Assembly hereby extends its sincere respect, appreciation, and affection to Representative Mark Kruzan for his dedicated and distinguished service to the people of Indiana, the Indiana House of Representatives, and the Indiana General Assembly.

SECTION 2. That the Principal Clerk of the House of Representatives shall transmit a copy of this resolution to Representative Mark Kruzan and his family.

The resolution was read a first time and adopted by voice vote.

## **House Resolution 88**

Representative Denbo introduced House Resolution 88:

A HOUSE RESOLUTION to honor Speaker John R. Gregg for his 16 years of distinguished service to the Indiana General Assembly and to congratulate him on his retirement from the Indiana House of Representatives.

*Whereas, Speaker John R. Gregg was born September 6, 1954, in Sandborn, Indiana;*

*Whereas, Speaker Gregg and his wife, Sherry L. Biddinger Gregg, have two sons, John Blackwood and Hunter;*

*Whereas, Before his election to the Indiana House of Representatives, Speaker Gregg worked as a governmental affairs representative for AMAX Coal Company and as a land agent for the Peabody Coal Company;*

*Whereas, Speaker Gregg has also become a celebrity on the local airwaves, thanks to his Saturday morning radio show that airs on WIBC;*

*Whereas, Speaker Gregg attended Vincennes University, where he received an associate's degree; Indiana University, where he received a Bachelor of Arts degree; Indiana State University, where he received a Master of Public Administration degree; and Indiana*

*University School of Law at Indianapolis, where he received his Doctor of Jurisprudence degree;*

*Whereas, Speaker Gregg, who was first elected to represent the citizens of House District 45 in 1986, will be stepping down from the podium for the last time at the end of the 2002 legislative session;*

*Whereas, Speaker Gregg was first elected as Speaker of the House in 1996 when the general election left an equally divided House with 50 Democrats and 50 Republicans;*

*Whereas, The stage was set for the election of Speaker Gregg in the 1995 session when a bill was passed to deal with the situation that is created when the Indiana House of Representatives is equally divided;*

*Whereas, This bill stated that in the event of another 50-50 split, the caucus whose candidate won the governor's office in the general election should elect the Speaker of the House of Representatives;*

*Whereas, For the first time in Indiana history, one Speaker presided over an equally divided House of Representatives;*

*Whereas, Speaker Gregg was re-elected Speaker following the 1998 general election when Democrats took control of the House of Representatives with a 53-47 majority;*

*Whereas, Throughout his terms as Speaker, John Gregg has implemented improvements in House procedures, including on-time convening of sessions, the support of a bipartisan clerk's office, staffing parity for both caucuses, and the prohibition of smoking within the interior hallways and offices surrounding the House chamber;*

*Whereas, Many statehouse observers credit Speaker Gregg with returning civility and congeniality to the third floor;*

*Whereas, Speaker Gregg has also introduced measures to help streamline the work load of legislators and staff alike, including reducing the number of standing committees from 21 to 17 by combining the duties of several committees that shared similar jurisdictions and initiating stricter adherence to House rules regarding how members vote and conduct themselves on the House floor;*

*Whereas, During his tenure as Speaker, John Gregg has championed many causes, including education, campaign finance, property tax, lobby, and ethics reforms;*

*Whereas, Before becoming Speaker, John Gregg served as the majority leader from 1990 to 1994 and the Democratic leader in the House of Representatives from 1994 to 1996;*

*Whereas, Away from the podium and the statehouse, Speaker Gregg has always been very active in Democratic Party politics, serving as precinct committeeman from 1974 to 1986, delegate to the Indiana Democratic State Convention from 1974 to 2000, and delegate to the Democratic National Convention in 1992, 1996, and 2000;*

*Whereas, Speaker Gregg is active in the community, where he is a member of the Sandborn Christian Church, the Knox County Bar Association, Masons (33rd degree), the Harry Truman Club, the Sullivan County Democratic Women's Club, the Press Club, and the Indianapolis Athletic Club;*

*Whereas, Throughout his career John Gregg's accomplishments have been rewarded, including an honorary doctorate degree from Vincennes University, the Governor's Heroism Award, the Hoosier Hero Award, a Sagamore of the Wabash Award, and Outstanding Freshman Legislator during his first year in office; and*

*Whereas, A friend and confidant of Governors Evan Bayh and Frank O'Bannon, Speaker Gregg has never forgotten that it is the people back in a legislator's district who really make Indiana such a wonderful place in which to live: Therefore,*

*Be it resolved by the House of Representatives of the General Assembly of the State of Indiana:*

SECTION 1. That the Indiana General Assembly wishes to bid a fond farewell to Speaker John R. Gregg. The Indiana House of Representatives has seen only good things during his tenure.



Legislators and staff alike will miss him greatly. His departure will leave a void that will never be truly filled.

SECTION 2. That the Principal Clerk of the House of Representatives shall transmit a copy of this resolution to Speaker John R. Gregg and his family.

The resolution was read a first time and adopted by voice vote.

## OTHER BUSINESS ON THE SPEAKER'S TABLE

### MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the Senate has adopted the Conference Committee Reports on Engrossed House Bills 1108-1, 1195-1, 1196-1, and 1378-1.

MARY C. MENDEL  
Principal Secretary of the Senate

### MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the Senate has adopted the Conference Committee Reports on Engrossed Senate Bills 52-1 and 501-1.

MARY C. MENDEL  
Principal Secretary of the Senate

### MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the Senate has adopted the Conference Committee Reports on Engrossed Senate Bill 228-1.

MARY C. MENDEL  
Principal Secretary of the Senate

### PETITION TO CHANGE VOTING RECORD

Mr. Speaker: Pursuant to House Rule 75, I hereby petition to change my voting record on the conference committee report on Engrossed House Bill 1088-1, Roll Call 436, on March 14, 2002. In support of this petition, I submit the following reason:

"I was present and near my seat, but when I attempted to vote, the voting machine did not register my vote. I intended to vote yea."

L. LAWSON

There being a constitutional majority voting in favor of the petition, the petition was adopted. [*Journal Clerk's note: this changes the vote tally for Roll Call 436 to 92 yeas, 0 nays. The corrected roll call is printed with this Journal.*]

### PETITION TO CHANGE VOTING RECORD

Mr. Speaker: Pursuant to House Rule 75, I hereby petition to change my voting record on the conference committee report on Engrossed House Bill 1196-1, Roll Call 445, on March 14, 2002. In support of this petition, I submit the following reason:

"I was present and in my seat, but when I attempted to vote, I inadvertently pushed the yea button when I intended to vote nay."

YOUNT

There being a constitutional majority voting in favor of the petition, the petition was adopted. [*Journal Clerk's note: this changes the vote tally for Roll Call 445 to 87 yeas, 7 nays. The corrected roll call is printed with this Journal.*]

### PETITION TO CHANGE VOTING RECORD

Mr. Speaker: Pursuant to House Rule 75, I hereby petition to change my voting record on the conference committee report on Engrossed House Joint Resolution 2-1, Roll Call 391, on March 14, 2002. In support of this petition, I submit the following reason:

"I was present and near my seat, but when I attempted to vote, the voting machine did not register my vote. I intended to vote yea."

FRIEND

There being a constitutional majority voting in favor of the petition, the petition was adopted. [*Journal Clerk's note: this*

*changes the vote tally for Roll Call 391 to 87 yeas, 0 nays. The corrected roll call is printed with this Journal.*]

### PETITION TO CHANGE VOTING RECORD

Mr. Speaker: Pursuant to House Rule 75, I hereby petition to change my voting record on the conference committee report on Engrossed Senate Bill 25-1, Roll Call 392, on March 14, 2002. In support of this petition, I submit the following reason:

"I was present and near my seat, but when I attempted to vote, the voting machine did not register my vote. I intended to vote yea."

FRIEND

There being a constitutional majority voting in favor of the petition, the petition was adopted. [*Journal Clerk's note: this changes the vote tally for Roll Call 392 to 90 yeas, 0 nays. The corrected roll call is printed with this Journal.*]

### PETITION TO CHANGE VOTING RECORD

Mr. Speaker: Pursuant to House Rule 75, I hereby petition to change my voting record on the conference committee report on Engrossed Senate Bill 239-1, Roll Call 418, on March 14, 2002. In support of this petition, I submit the following reason:

"I was present and near my seat, but when I attempted to vote, the voting machine did not register my vote. I intended to vote yea."

GOODIN

There being a constitutional majority voting in favor of the petition, the petition was adopted. [*Journal Clerk's note: this changes the vote tally for Roll Call 418 to 93 yeas, 0 nays. The corrected roll call is printed with this Journal.*]

### PETITION TO CHANGE VOTING RECORD

Mr. Speaker: Pursuant to House Rule 75, I hereby petition to change my voting record on the Governor's veto of Senate Enrolled Act 308 (2001), Roll Call 400, on March 14, 2002. In support of this petition, I submit the following reason:

"I was present and near my seat, but when I attempted to vote, the voting machine did not register my vote. I intended to vote yea."

DILLON

There being a constitutional majority voting in favor of the petition, the petition was adopted. [*Journal Clerk's note: this changes the vote tally for Roll Call 400 to 39 yeas, 49 nays. The corrected roll call is printed with this Journal.*]

## ADJOURNMENT OF SECOND REGULAR SESSION

### HOUSE MOTION

Mr. Speaker: I move that all requests for interim studies, including those made by concurrent resolution, bills which failed to pass both Houses of the General Assembly, or written or oral requests to the Speaker of the House, are hereby referred to the Legislative Council for further consideration as it deems necessary or appropriate.

COOK

Motion prevailed.

### HOUSE MOTION

Mr. Speaker: I move that the Speaker of the House of Representatives appoint a committee of four members of the House of Representatives to confer with the Senate for the purpose of ascertaining if the Senate has any further legislative business to transact with the House of Representatives.

KRUZAN

Motion prevailed. The Speaker appointed Representatives Leuck, Dvorak, Steele, and Mock.

### HOUSE MOTION

Mr. Speaker: I move that the Speaker of the House of Representatives appoint a committee of four members of the House

of Representatives to confer with the Governor for the purpose of ascertaining if the Governor has any further communications to make to the House of Representatives.

BODIKER

Motion prevailed. The Speaker appointed Representatives Cook, Kruzan, Dillon, and Munson.

#### MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House of Representatives that its committee of two members, Senators C. Meeks and Breaux, has conferred with the House of Representatives and hereby reports back to the Senate that the House of Representatives has no further legislative business to transact with the Senate.

MARY C. MENDEL

Principal Secretary of the Senate

#### MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House of Representatives that its committee of Senators Wheeler and Lewis has conferred with the Governor to ascertain whether or not he has any further communications to make to the Senate and hereby reports that the Governor has no further communications to make to the Senate.

MARY C. MENDEL

Principal Secretary of the Senate

#### COMMITTEE REPORT

Mr. Speaker: Your Committee appointed to confer with the Senate to ascertain if the Senate has any further legislative business to transact with the House of Representatives hereby reports that the Senate has no further legislative business to transact with the House of Representatives.

LEUCK  
STEELE

DVORAK  
MOCK

Report adopted.

#### COMMITTEE REPORT

Mr. Speaker: Your Committee appointed to confer with the Governor to ascertain whether or not he has further communications to make to the House of Representatives hereby reports that your committee has waited upon the Governor and that the Governor has no further communications to make to the House of Representatives.

COOK  
DILLON

KRUZAN  
MUNSON

Report adopted.

#### HOUSE MOTION

Mr. Speaker: I move that the Speaker of the House of Representatives appoint a committee of four members of the House of Representatives to notify the Senate that the House of Representatives has completed its business and is ready to adjourn.

KRUZAN

Motion prevailed. The Speaker appointed Representatives Bodiker, Leuck, Munson, and Steele.

#### HOUSE MOTION

Mr. Speaker: I move that the Speaker of the House of Representatives appoint a committee of four members of the House of Representatives to notify the Governor that the House of Representatives has completed its business and is ready to adjourn.

LEUCK

Motion prevailed. The Speaker appointed Representatives Kruzan, Cook, Dillon, and Mock.

#### COMMITTEE REPORT

Mr. Speaker: Your Committee appointed to notify the Senate that the House of Representatives has completed its business and is ready to adjourn hereby reports that it has notified the Senate of the message of the House of Representatives.

BODIKER  
MUNSON

LEUCK  
STEELE

Report adopted.

#### COMMITTEE REPORT

Mr. Speaker: Your Committee appointed to notify the Governor that the House of Representatives has completed its business and is ready to adjourn hereby reports that it has notified the Governor of the message of the House of Representatives.

KRUZAN  
DILLON

COOK  
MOCK

Report adopted.

#### MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the Senate has adjourned *sine die* at 11:51 p.m. on the 14th day of March, 2002.

MARY C. MENDEL  
Principal Secretary of the Senate

#### HOUSE MOTION

Mr. Speaker: I move that the House of Representatives of the Second Regular Session of the 112th General Assembly do now adjourn *sine die* at 11:59 p.m., this 14th day of March, 2002.

KRUZAN  
DVORAK

LEUCK  
BODIKER

Motion prevailed. The House adjourned *sine die*.

JOHN R. GREGG  
Speaker of the House of Representatives

LEE ANN SMITH

Principal Clerk of the House of Representatives